THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

September 21, 1940

Reign of Lawlessness Replaces Rule of Law in Shanghai

The Burma Road Problem

Smuggling Racket in China

BY JOHN AHLERS

Conscription in the U.S.A.

Italy Invades Egypt, Spain Moves to Axis as Nazi Airblitz Continues

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

JAPAN LOSES A SHIP

To the Editor:

The luxurious river steamship Min Yuan which was captured by the Japanese when they took Ichang several months ago was sailed safely up the river to Chungking by its own Chinese crew four days ago. The ship made the Japanese pay back for the capture. Three Japanese Army Officers were thrown into the rapid rolling Yangtsze and 23 Japanese soldiers armed with light machine-guns and fire arms were captured when the two Chinese pilots and 80 Chinese members of the crew mutinied.

When the ship was captured with the fall of Ichang the Japanese loaded many tons of fire arms, ammunition and some soldiers as escort, ready to use this ship as a transport to attack Pa-tung a Yangtsze port west of Ichang.

There was bright moonlight the night of sailing. The Chinese radio operator reported to his Japanese captors that 48 Chinese bombers were leaving Chungking and aimed to bomb the s.s. Min Yuan. At that time the ship was anchored near Hankow. The Japanese were in great panic and asked the captain what they can do. The captain said: "This ship has been the transport of the Chinese and is equipped with strong steel plate and steel deck. If your men go down to the store room in the bottom of the ship anyhow the bomb wouldn't hurt. So the three Japanese officers ordered their men to go down to the bottom and ordered the captain to sail away. The well-planned sailors then lock up the door behind the soldiers. Another party then rush to the navigating cabin to do something to the three Japanese officers. One Japanese was so sensitive he immediately took out the pistol and killed the captain. Then the angry sailors bound the foot and hand of the Japanese and throwing them to the Yangtsze water grave begin steaming the ship to Chungking. The trip is not very pleasant; it is dangerous to sail in the darkness. In the morning the ship was halted by Chinese soldiers on the shore.

"Stop!" they say, "We know that the s.s. Min Yuan was captured. This ship must still belong to the Japanese." Then the sailors explained to them and took one company of Chinese soldiers to the ship and continued to steam up by day and by night. The ship finally arrived in Pa-tung safely and had a rest for several days.

Now the ship is safely in Yangtsze about ninety miles from Chungking. Each of the two pilots were given $50,000 as the reward. The rest of the 80 members of the crew will soon be duly rewarded and also the family of the dead captain. All the crew are Szechwan natives.

S.T.W.W.

Chungking, Aug. 30, 1940.

AMERICAN OPINION

To the Editor:

Glad to get all issues of **The Review**, but the mail service across the Pacific seems to be getting worse and worse. The Scandinavian invasion caused quite a change in the emotions and thinking of the American people, but it did not have anything like the effect which the attacks on Belgium and Holland have had. People took up collections for the Scandinavians, but now they are talking of aid to the Allies.

Such a strongly isolationist paper as the Omaha **World-Herald** has ceased yammering about non-involvement and is deploring the poor defense arrangements of the United States. A few months ago it was objecting to the amount of money spent by the government for defense. It has seemingly become convinced of the necessity of a big war machine, largely because of the efficiency of the Germans in crushing the British and French armies in Flanders.

At this time it seems likely that a nation-wide hunt for subversive activities is likely to break out. And it will be a hunt that will startle the world. I wouldn't be surprised to see vigilante groups spring up all over the country, many of them possibly containing the very people for whom they will be searching.

SUBSCRIBER

Omaha, Nebraska,
June 5, 1940 (delayed).

THE CUSTOMS COLLEGE

To the Editor:

It is certainly surprising to learn from Hsiu Shu-cheng's letter, which appeared in your **China Weekly Review** on September 14, that I have accepted the offer of the position of Chief of the Business Department of the Customs College and have since then kept myself busy enlisting new cadets for the school, while I have actually and leisurely up to the present been enjoying my well-earned summer vacation at home. Whatever motive the letter might have, it is none of my business to fathom. Let me, however, state that I do not at present hold this position, nor will I ever compete with anybody for it.

SU-CHOW HO

Shanghai, Sept. 16, 1940

THE CHINA WEEKLY REVIEW

Cable Address "REVIEWING SHANGHAI"

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THOSE LANDLORDS

To the Editor:

I address your journal as the most fearless in the Far East to take up the cudgels in the coming bitter fight between rapacious Shanghai landlords and their victimized tenants. I am one of the latter.

For two years now we have been made to suffer progressive rent hikes on a variety of excuses which include the deteriorating Chinese currency exchange, the increase in cost of services and increase in land assessment. While the hikes were reasonable we have remained sympathetic with the landlords and have shelled out uncomplainingly. Tenants as a whole are the easiest people in the world to impose upon (in their capacity as tenants), The first open rift came last year when the avaricious landlords began demanding rent in U.S. currency. They won in the face of a loosely-banded Tenants' Association. But this year these same landlords are demanding as much as 100 percent increase in their rents. There is no basis for this inhumanity.

These men are a danger to the continued peace of Shanghai. These are the Fifth Column, the kind who betrayed France for their immediate mess of potage. Yet these are the men who shout loudest for protection from their home governments against the invading Japanese. What are we going to do about it? If matters continue as at present it will mean the evacuation of Shanghai by a number of foreigners in the face of a high cost of living against which their earning power cannot compete. The only answer is union. I say let us unite and fight the selfishness of the landlords not only for our good but for their's too.

A TENANT.

Shanghai, Sept. 17, 1940.

NATIONAL CITY BANK OF NEW YORK

Rates of Exchange, Shanghai, September 19, 1940

Demand selling rate on New York: U.S.$1.00—Sh.$19.27

Demand buying rate on New York: U.S.$1.00—Sh.$18.60

Demand selling rate on London: £1.0.0—Sh.$69.18

Demand buying rate on London: £1.0.0—Sh.$67.36

AMERICAN STOCK AND COMMODITY QUOTATIONS

September 18, 1940

STOCKS

Amer. Locomotive	14¼
Amer Waterworks	8⅛
Anaconda Copper	21⅝
Bethlehem Steel	79
Chrysler	77½
Elec. Bond & Sh.	5⅝
Gen. Motors	48⅝
Goodyear T. & R.	16½
Gt. Nthrn. Rly., pfd.	27
Lockheed Aircraft	28¾
Mont. Ward	40⅜
N. Y. Central	14¾
Texas Corp	35⅞
U. S. Steel	56⅝

COMMODITIES

New York Cotton, Oct.	9.39/39
New York Rubber, Dec.	19.00/00
New York Hides, Dec.	9.85/85
Chicago Wheat, Dec.	77⅝/77¾
Chicago Corn, Dec.	55⅝/55¾
New York Sugar, No. 4, Dec.	0.69½B/70A

B—Bid. A—Asked.

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50	lbs.	,,	240.—

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REIGN OF LAWLESSNESS REPLACES RULE OF LAW IN SHANGHAI

IN the past, the International Settlement and French Concession of Shanghai were proudly referred to as "havens of security," little islands in a chaotic country where the "rule of law" obtained. Those days are gone. There is still some security for extraterritorial foreigners, who can be arrested only by due process of law and who are assured of a fair trial before their own national courts. But for Chinese, especially if they harbor wicked patriotic sentiments which cause them to look upon Japan as the enemy of their country and the puppets as traitors, there is no longer any security.

Both in the International Settlement and the French Concession, Chinese citizens are being arrested by the municipal police forces, in cooperation with Japanese gendarmes, and in some cases handed over to a completely unrecognized jurisdiction. The "rule of law" has been overthrown by the two foreign municipal administrations at Japanese behest.

Several cases occurred at the end of last week. A Chinese vaudeville actor, said to have been connected with political activity, was nabbed by the French police on the morning of Sept. 14 at the request of the Japanese. What has happened to him is not known. He has not been brought before the French Concession court. The same day, five Chinese residents of the International Settlement, including a 21-year-old jockey and wealthy stockbroker, and three clerks of the National Commercial Bank, were placed under arrest by police of the International Settlement who "acted in cooperation with the Japanese authorities." Their fate is equally uncertain.

The legal rights of the foreign authorities here are well-defined. Chinese may be arrested in the foreign areas only on warrants issued by the First Special District Court in the International Settlement, the Second Special District Court in the French Concession, or by higher Chinese judicial organs. In a case of minor crime, the arrested person must be brought before one of the District Courts and tried by due process of law. If convicted, he serves his sentence in a jail in one of the two foreign areas. In the case of crimes against the state, a higher Chinese tribunal may request the extradition of the accused, who may be handed over, however, only after appearance in one of the District Courts where a *prima facie* case must be made out against him.

These legal arrangements are embodied in agreements between China and the Powers concerned in the administration of the two foreign areas and the agreements have never been annulled.

In the case of the arrests which took place last Saturday, and numerous other arrests before that, no warrants were issued by either of the District Courts and the men taken into custody have made no appearances before either of those tribunals. What happened was that the local Japanese authorities demanded the arrest of these men and the S.M.C. and F.M.C. "cooperated" —in utter defiance of all legal requirements. Men thus arrested are held at foreign-controlled police stations for a brief time and then unobtrusively handed over to the Japanese or the puppets. Only if the Japanese decide they have got the wrong man does a victim of this illegal procedure regain his liberty. The fate of Chinese patriots and any others who offend against the Japanese and their puppets can better be imagined than described.

Shanghai has become notorious for its lawlessness and the administrators of the two foreign areas profess a desire to end this undesirable state of affairs. But do they realize that they themselves are contributing to it by their own fantastically illegal actions? How can they demand respect for law when they show none themselves? The Japanese have no legal right to arrest anyone in the two foreign areas. They get around this by having the foreign police forces do the dirty work for them. But the foreign police forces, under the control of the municipal councils, also have no right to arrest any Chinese without a warrant from a recognized Chinese court—except, of course, common criminals caught in the act. Yet they are doing it, day in and day out, and adding to the illegality by handing over uncharged, untried men to Japanese (or puppet) institutions which have no standing whatsoever. This is terrorism, plain and simple, dressed in the cloak of authority.

And terrorism is being employed, meanwhile, against the judges, interpreters and other officials of the First Special District Court. Toward the end of last week they received letters from the "Kuomintang Anti-Red Party," 76 Jessfield Road, which is notorious as the local terrorist headquarters of the Wang Ching-wei gang. The hapless recipients were told that they should "report" at this den within a week and indicate their intention to cooperate with the puppets in establishing peace between China and Japan, in which case they would be "warmly welcomed." But if they fail to cooperate —"harm will be done you."

It is with the Japanese masters of the gang which wrote this dire warning that the S.M.C. and F.M.C. are cooperating. No more shameful arrangement could be imagined. We repeat: If the foreign authorities here wish to combat lawlessness, they must end their immoral compact with the lawless elements from whom they are now taking orders.

Interned Chinese Soldiers Revolt Against Detention

THE famous Chinese "Doomed Battalion" are in revolt against continued detention in the Singapore Road internment camp established for them at the end of 1937 when they entered the International Settlement and permitted themselves to be disarmed after an epically courageous struggle against vastly superior Japanese forces.

Trouble has flared up in the camp on previous occasions. It was renewed last week-end when the 350 men, who are commanded by Col. Hsieh Ching-yuan, refused to permit Public Works Department workmen to effect repairs and erect barbed wire barricades. Col. J. W. Hornby, Commandant of the Shanghai Volunteer Corps, a detachment of which stands permanent guard over the camp, was allegedly assaulted and spat upon when he visited the camp. And the P.W.D. workmen were so intimidated that they had to desist from their labors. Additional members of the Russian Regiment of the S.V.C. were drafted to the scene, and fire hoses and tear-gas bombs were used against the internees. Rioting broke out again on Wednesday of this week and one of the internees was shot dead.

The victims of these forceful measures are fed up with their long confinement and that is the source of the periodical troubles in the camp. Now, they say, they are entitled to be released, for they surrendered to British troops, and since the British troops have left Shanghai their internment should end.

There is considerable force in this contention. The International Settlement is not a sovereign state and has no right in international law to detain the soldiers of any nation. It is understood that Col. Hsieh has made a strong demand to the Settlement authorities for the release of his men. Unless this demand is conceded there is likely to be trouble, involving serious bloodshed. The internees on Singapore Road are being supported by fellow.

internees in the French Concession camp on Route Tenant de la Tour and there, on Monday morning of this week, occurred an incident which should be regarded as a warning signal. The interned Chinese soldiers reportedly attacked French and Annamite soldiers doing guard duty. The latter opened fire. Eight internees were shot dead and 22 injured.

If more and graver trouble is to be avoided, the best thing would be for the authorities of the two foreign areas to liberate the interned men, who have already suffered an intolerably long confinement. If this were done, an injustice would be ended and the taxpayers would be saved considerable expense. The men could be placed aboard a ship and transported to Ningpo, they could enter Free China.

Any such plan, of course, would require the assent Japanese military. Otherwise the ship would be stopped a liberated men would probably suffer a fate much worse than ment. The Japanese army and navy like to think of themse and would like others to think of them—as being endowe chivalrous qualities. Here is a chance for them to prove them approach the two foreign municipalities and offer to gu unhampered passage to the interned Chinese soldiers. Or expecting too much?

The Conscription and Armament Program and U. S. Relations with Japan

PRINCE Fumimaro Konoye, Premier of Japan, told the members of the Committee which is formulating plans for Japan's so-called "new political structure," that Japan's situation will become increasingly more serious in the near future. He therefore urged the people of Nippon to unite for a further "supreme attempt to overcome the growing serious situation in which the Japanese find themselves." He declared that Japan's 100,000,000 must act as one man in order to surmount the national emergency.

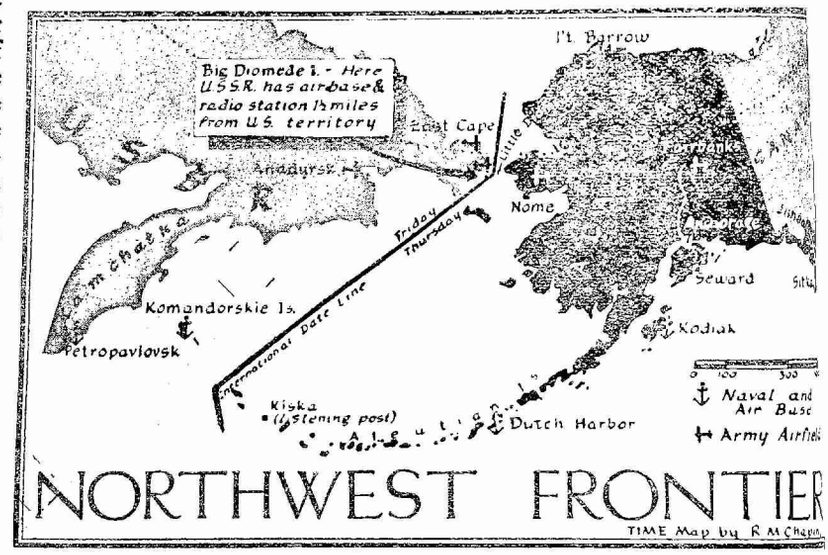
One wonders how many times the Japanese people have heard similar appeals since the original outbreak of hostilities at Peiping more than three years ago, and how deeply they are stirred by such declarations—in the face of the most serious war privations which the nation has faced in its modern history. Each one of the procession of premiers who have passed in review since the original outbreak in Manchuria nine years ago, has made a somewhat similar declaration regarding the necessity for unity and supreme effort in order to win the war—which a clique of ambitious, scheming army officers precipitated when they seized Mukden on the night of Sept. 18, 1931.

In this period of nine years the Japanese have seized large areas of the Continent of Asia stretching from the Amur River on the border of north Manchuria to the borders of Indo-China and westward along the Yellow and Yangtsze Rivers for many hundreds of miles. Thousands of Japanese Army officers strut about this occupied territory wherein reside many millions of harassed citizens of China, but despite vast propaganda effort on behalf of the so-called New Order and the "necessity" for unity on the part of all Orientals, the Japanese have failed to find a single trusted friend among these millions of human beings. And while some Nipponese Army officers have "done well for themselves" the Imperial Treasury at Tokyo has not benefitted. On the contrary, the Empire has expended its entire supply of treasure and has been plunged into debt so deeply that the national currency is only worth a fraction of its original value in relation to the stabilized currencies of other nations.

The national economy of Japan has been reduced to such a sorry state that—to quote from a recent Tokyo report—Japanese are not permitted to have more than one towel apiece a year. The rationing system has been extended to unbelievable lengths in order that all may obtain a share, however small, of the rapidly diminishing stocks of foods and other necessities.

And all this privation for what? In order that the Army and Navy may continue their campaigns of conquest on the Continent, which they cannot stop—as the impending new adventure in French Indo-C The Imperial Army has been long on conquest, but lacking in administrative ability. The greater the quest, the greater the national burden in accumu debts and enemies—this has been the established r

September 18, which fell on Wednesday of week, aside from being the anniversary of the begi of the Manchurian invasion, only lacked a few da being the 19th anniversary of President Harding'



This map indicates that Russia also is fortifying her possessions the Arctic, in Bering Strait and on Kamchatka Peninsula.

vitation to Japan and other nations about the Pacific participate in a conference on the limitation of armame and settlement of Pacific problems.

This leads to a consideration of Japan's accompli ments in the field of international relations since the sta group of head-strong warlords of the Manchurian Arm plotted the Mukden incident nearly a decade ago. Jap emerged from World War I in prosperous condition wi a first class army and navy. Also, similar to conditio today, Japan emerged from World War I with her clai sunk deeply in the soil of Shantung and Manchuria an Siberia. But on the other side of the Pacific the was another nation, the United States of America, whi had not benefitted territorially from the war, but ha nevertheless, greatly improved its national econom and military strength. The relations of these two nation due to animosities engendered by the war and Japa activities in China, had reached a dangerous state. Oth nations, such as Britain and France, impoverished b the war, but still holding valuable Oriental territori were anxious to do something to prevent another ou break of warfare in the Pacific. The crushing burde of taxation, resulting from the war effort and the mil

tenance of vast armaments, threatened to bankrupt everybody.

The situation was propitious for a round-table conference on limitation of armament and an adjustment of relations in the Pacific, or rather in China, which was the cause of the international unrest. The Japanese accepted President Harding's invitation to the Washington Conference rather reluctantly because the Imperial Army feared it might be forced to relinquish the grabs it made in China while the other nations were occupied in the war. But they accepted and sent a strong delegation to Washington. The Conference met on Nov. 12, 1921 and closed on Feb. 6, 1922.

In this brief period of three months, nine leading nations with interests in the Pacific agreed upon a program of arms limitation and a plan for the adjustment of their relations in China. All decisions were unanimous and all nations which participated in the Conference duly ratified the resulting treaties and resolutions in their respective legislatures. The Germans, who were then out of the running as a result of the war, later unofficially endorsed the Nine-Power Treaty, which guaranteed China's territorial and administrative integrity. The Soviet Russians, who were involved in their revolution, also did not participate in the Conference, but they benefitted tremendously because the Japanese were forced to withdraw their troops from Siberia which Russia was, at that time, too weak to defend on her own account.

The Washington Conference immediately eased tension in the Pacific and all nations benefitted from the resulting peace. Japan borrowed large sums in the United States to develop her national economy, particularly hydro-electrical enterprises. China, assured of a breathing space and opportunity for national development, also benefitted tremendously and immediately took advantage of the situation to develop her railways and motor roads and establish a stable government in the new national capital at Nanking.

But Japan's warlords, who entered the Washington Conference reluctantly, were not happy at the restrictions. They disapproved of the arms limitation treaty and they were determined not to respect the Nine-Power Treaty. They scuttled the Treaty when they invaded Manchuria in the fall of 1931 and they ended arms limitation somewhat later when they refused to abide by the 5:5:3 naval ratio. The Japanese fighting services claimed they had a world mission to perform by creating a New Order in Asia and they claimed no nation or group of nations had a right to dictate the strength of Japan's navy or other fighting services. In other words the Japanese claimed they had the right to build a navy adequate for their purposes, despite the feelings of other nations.

This is the situation which prevails today.

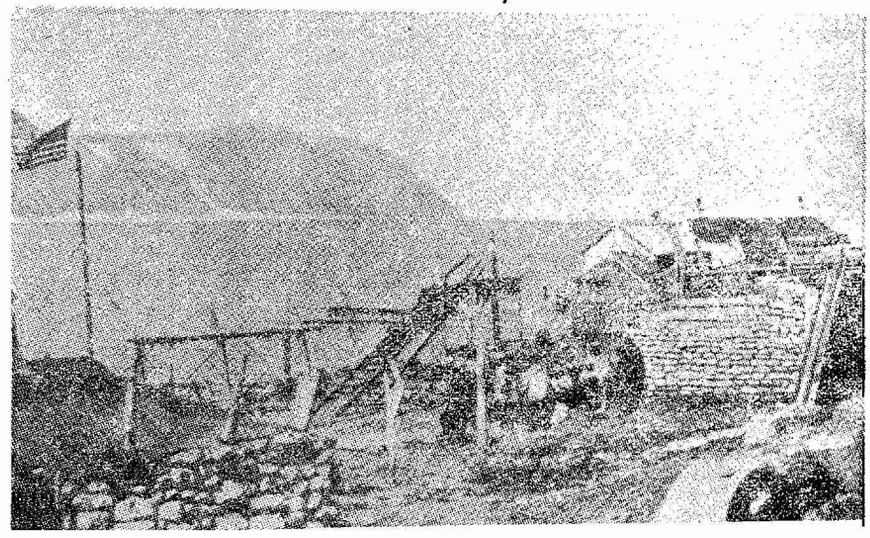
A few days ago a Japanese parliamentarian named Ouji Kasai, who claimed he had made several visits to the United States, wrote an article in a Tokyo magazine in which he said that Japanese-American relations never had been so tense as at present. A few days previously an American Congressman, Carl Hinshaw of California, had declared that the United States was perilously near a break with Japan. Whether Mr. Kasai's remarks were inspired by Representative Hinshaw's statement is not known, but he expressed the view that most of the pending issues between Japan and America "could be brought to a satisfactory settlement if only the Washington and Tokyo Governments would conduct negotiations in a "straightforward manner." He didn't think either nation would benefit from a war, that hostilities would be long drawn out and would result in hardship for both countries. He then recalled that certain Americans recently had advocated an understanding with Japan due to the rapid development of the war in Europe. He said that many Americans had become anti-Japanese in sentiment "due largely to the tactics of Japan's diplomacy, which had caused Americans to regard Japan as an aggressor nation." He thought that Japan should "explain by all means the real nature of her aims and ideals concerned in the construction of the New Order in East Asia."

Mr. Kasai then dragged out the old argument that the U. S. immigration law of 1924, which barred Japanese laborers and peasant farmers from migrating to the United States, was responsible for Japan's expansion on the Asiatic Continent. In other words, Mr. Kasai sets out by telling the Americans that if Japan had been permitted to colonize California, she would not now be grabbing China's territory. He said that similar regulations in Canada, Australia and South Africa had forced Japan to "realize its mission" of developing the Asiatic Continent for the interests of Asiatics. Thus the Canadians, Australians and South Africans, by also barring Japanese immigration, were equally responsible for Japan's present campaign of aggression at the expense of China.

Mr. Kasai thought that the United States should give "proper consideration" to three major problems—the China Affair, Japanese-Soviet relations and the question of Indo-China and Netherlands Indies. Of the three, Mr. Kasai thought that the China affair was chiefly responsible for current Japanese-American tension. He thought that if the settlement of what he termed the "China Affair" could be made in such manner that "American rights and interests and trade could be guaranteed the friction between Japan and America would naturally disappear."

Then after the China Affair was settled, Japan "would have to tackle first of all the task of restoring war-torn China," he declared. Then he came to the all-important subject, which probably was the real inspiration for his

Most Northerly Base



This bleak outpost is Little Diomede Island in the channel of the 54-mile-wide Bering Strait, which separates North America (Alaska) from Russian Siberia. Big Diomede Island, belonging to Russia, is also shown in the picture. Russia's fleets of ice-breakers, dispatched from European Russia, through the Arctic, pass through these straits en route to Vladivostok.

article: The task of restoring China would require importation of foreign capital, and since European nations are out of the running, "Japan will have to seek the cooperation of businessmen of the United States." This, he declared, explained why it was necessary for Japan to maintain friendship with the United States.

Referring to the Soviet Union, the Japanese parliamentarian charged that the Russians blew hot or cold according to developments of the European situation. He declared that a close study of the Russian situation caused Japan to realize the importance of amity with America . . . Japanese-American rapprochement was necessary to forestall closer ties between Washington and Moscow.

In making this statement, Mr. Kasai indicated he had read recent suggestions in the American press that the United States should make a deal with the Russians to stop Japanese aggression in China and expansion to the south.

Mr. Kasai thought that Japan should make a frank explanation of its policy toward Indo-China and the East Indies. One doubts, however, whether his succeeding statement will accomplish his desired objective of improving Japanese-American relations. He said that negotiations must be conducted so that lumber, pulp, oil and scrap iron, available in the United States "may be exported freely to Japan in return for shipments of tin and rubber from the East Indies to the United States." This statement also, along with the immigration issue and the matter of loans to Japan, should likewise arouse the interest of Americans. Mr. Kasai would block shipments of tin and rubber from a third country to the United States unless the United States freely permitted shipments of lumber, pulp, oil and scrap iron to Japan.

The *United Press* correspondent in Tokyo, who cabled the Kasai article to the Shanghai papers said that Kasai's article came in the midst of loud clamors in Tokyo for abandonment of Japan's traditional "pro-American and pro-British diplomacy" in favor of closer ties with the Axis Powers. One doubts, however, that Mr. Kasai's ideas will be of much assistance in improving Japanese-American relations because he would only guarantee American rights and trade if America would lend Japan the money to carry out her Asiatic program of military aggression.

If this statement reflects current Tokyo policy, there is little hope for an improvement in Japanese-American relations. Apparently the Japanese have not yet decided which way they want their Far Eastern peace. They scuttled the peaceful round-table method for force and now they cannot obtain their objective by the use of force.

In the meantime Congress has enacted into law the Conscription Bill providing for the registration of 16,500,000 American men between the ages of 21 and 35. In a proclamation issued after signing the bill, President Roosevelt said, "America stands at the cross roads of its destiny. Time and distance have been shortened. A few weeks have seen great nations fall. We cannot remain indifferent to the philosophy of force now rampant in the world."

The passage of the Conscription Law was an essential ingredient in the all-inclusive American defense system, providing for a two-ocean navy and an impregnable system of fortifications along both coasts. The Conscription Bill will provide, ultimately, for 5,000,000 trained men for the U. S. Army and Navy. Of this number 400,000 will be called to the colors next month. The country will actually have 1,000,000 men under training by October. By the end of January the United States will have the largest standing army since the end of the great war. The Navy also will be able to ... sufficient men for the service of its two-ocean fleet. ... law provides for drafting labor, mobilizing skilled ... chanics, and compelling manufacturers to cooperate ... sell their plants to the Government. Immediately ... bill was passed, President Roosevelt asked Congress ... a defense appropriation of US$1,733,000,000 in cash ... US$270,000,000 in contract authorizations for the purp... of financing the conscription program.

On August 30 Congress passed and the Presid... signed the US$5,133,169,277 "total" defense bill wh... made it possible to start work at once on the two-oc... navy, 18,422 war planes and numerous naval and ... bases in the Pacific and Atlantic. This appropriati... brought the nation's total appropriations for defense ... the fiscal year to US$10,040,000,000. The bill provi... for:

1. A land force of 1,200,000 men.

2. Funds to procure reserve stocks of tanks, gun... artillery and munitions for 800,000 additional men shou... the mobilization of such an extra force become necessary.

3. It provides for the construction of manufacturing facilities, both public and private, necessary to produc... critical items of equipment for the Army and also fo... producing ordnance needed by the Army and Navy aircra... program.

4. Funds to procure 28,401 motor-propelled vehicles ... including tanks.

The construction of the 200 warships provided by th... bill does not include the 68 warships already under way ... on July 1.

The bill's provisions include funds for the construction of 18,422 airplanes, of which 4,028 are for the Navy. Thi... will bring the navy's total number of planes to 10,02... The bill's provision for 14,394 planes for the Army make... the latter's total force 25,000.

The bill appropriates U.S.$352,000 for improvements on Guam Island, including U.S.$277,000 for quarters and U.S.$75,000 for hospital facilities. Hawaii will receive U.S.$1,200,000, Midway Island U.S.$535,500 and Alaska U.S.$180,000 for improvements.

Of particular interest in the Far East are provisions for improving fortifications in Alaska, and the decisi... of Congress to leave the way open to train America... soldiers in the Philippines. A dispatch through Unit... *Press* from Washington on August 31 said that the Na... would send more war planes, submarines and possib... large Army and Marine forces to the Philippines. Pr... sident Roosevelt was expected to order some units ... National Guardsmen to report for training duty in t... Philippines. It also was reported that President Quez... of the Philippines had requested large defense funds f... the further fortification of the Philippines.

The German *Transocean* news service sent a repo... from New York on Sept. 11 stating that both Gua... and Midway Islands are being fortified with "all haste."

With regard to Alaska, reports from Ottawa a... Washington indicated that negotiations had alread... started for the construction of a military highway throug... Canada from the United States to Alaska. This wa... regarded as an essential phase of the Canada-United States joint defense program.

Additional interest in the Alaskan defense question was added early in August when it became known that Russia was also constructing fortifications on the Soviet side of Bering Strait and on the peninsula of Kamchatka. The U. S. immediately dispatched the Coast Guard cutter Perseus to Bering Sea to make an investigation. It was soon discovered that the Russians were building an airplane hangar on Big Diomede Island, replacing a radio station with a larger one and that the Island was being converted into an advance weather, communication and flying station. This development, according to an article in *Time*, caused many Americans to feel that the should keep an eye on Russia as well as Japan. It ...

known that Russia already has a submarine base on the Komandorskie Islands off the Kamchatka Coast, which is 280 miles north of the last island of the Aleutian chain. In addition the Russians have constructed another submarine and air base at Petropavlovsk, at the tip of the Kamchatka Peninsula.

The United States, since its purchase of Alaska from Russia in 1867 for only US$7,200,000, has never expended any money on the defenses of the territory, despite the fact it has a population of 70,000 and has exported to the United States fish, gold, lumber, copper, platinum and other metals valued at US$1,250,000,000. As a result of the Japanese situation and the construction of fortifications on the Russian side, the United States is now rushing construction of Alaskan fortifications, which include a large airbase at Anchorage and a large combined air and sea base at Dutch Harbor in the Aleutians. The most elaborate program, however, involves the construction on Kodiak Island of fortifications, which in time might approach the strength of Hawaii, stated the report. Other bases probably will include Sitka, Juneau and Ketchikan.

James A. Thomas, Pioneer Tobacco Merchant in the Orient

JAMES Augustus Thomas, who died in White Plains, N. Y. on Tuesday, Sept. 10 at the age of 83, was once the best-known American businessman in the Far East—not only in China, but in Japan, India, Australia, New Zealand, Tasmania and other Oriental countries. He was known as the "Pioneer Tobacco Merchant" in the Orient—the man who introduced American cigarettes to the peoples of Asia. He once received a decoration from the Dalai Lama, high priest of Tibet, thus indicating that he also was known on the "roof of the world."

It would not be strictly correct to refer to "Jim" Thomas as a "missionary," in the popular religious sense, although he did establish two schools in China. As a matter of fact, Mr. Thomas' chief opposition in his pioneering activities came from missionaries, who used to regard cigarettes as the work of the devil. But Thomas was a missionary of American business and did more to familiarize Orientals, particularly businessmen, with American business methods than any other American of his time. He was the pioneer of the theory of mass production and small profits. He was once asked by a newcomer for the secret of his success in inducing millions of Chinese to smoke American cigarettes. He said his success was based on the *kiatze* and the *tungtze*. In north China he would have said, the *i-fen* and *i-mou-chen*. The reference was to the smallest Chinese coins, copper cents and 10-cent pieces. He said that when he mapped out a selling campaign for cigarettes in a new country, he first found out the denomination of the country's smallest coins. Then he manufactured cigarettes that could be sold at a profit in exchange for those coins.

Although the American company which he established has since become a conservative British enterprise, its profits still are based on the principles established by Mr. Thomas—millions of sales at a low price and for a small profit.

Mr. Thomas' greatest contribution to the economy of China and China-American trade, was his introduction of the cultivation of American leaf tobacco in Shantung and Honan provinces. Tobacco had been grown in China for centuries, but its quality had deteriorated to such an extent that it could only be used in water-cooled pipes or primitive forms of cigars. Once, while Mr. Thomas was traveling in Shantung, he was struck by the similarity of the soil and climatic conditions to his native Carolina where tobacco is a chief crop.

After experimenting for one or two seasons with American tobacco seed, Mr. Thomas made a bold move which his business associates and the "old-timers" said would lead to disaster. He went ahead, nevertheless, and brought to China 100 American farm boys from tobacco-growing sections of the United States. After the boys had been given instruction, they were sent to Shantung and each provided with a large quantity of American tobacco seed and a pony. The boys rode through the countryside, each accompanied by an interpreter, and explained to the Chinese farmers and villagers that if they would plant the American seed and follow instructions about growing the plants and curing the leaves, the Company would pay them the highest market price for the crop.

Where the farmers were short of money, the Company made them loans—on a cooperative basis—which enabled them to construct curing-barns for the leaves. The Shantung farmers took to the deal with enthusiasm and within one season large areas of the province resembled sections of the Carolinas and Virginia. The element in the deal which created confidence among the Chinese farmers was that the Company did not demand any special considerations or "monopoly rights" for its pioneering work. When the marketing season came, the Company appeared along with other bidders for the crop. Aside from the benefits to Chinese economy, the Japanese also benefitted, for they found the new Shantung tobacco highly desirable for their monopoly bureau.

Unlike present-day conditions in North China and Manchuria, where the Japanese are trying to establish a monopoly for themselves by driving out all other foreigners, Mr. Thomas assisted the Chinese farmers in developing their economy, and by maintaining an open market improved conditions for everybody. Also, instead of enabling China to become independent of outside tobacco, as many feared, the Shantung and Honan development had the effect of stimulating the Chinese taste for American-style tobaccos. Chinese farmers and dealers reaped vast benefits in a monetary way from the culture of American leaf, benefits which continued to the outbreak of the Sino-Japanese war, since which time the Japanese, in their attempts to create a monopoly for themselves, have merely brought chaos to the industry.

When Mr. Thomas first began to market American cigarettes in China he sold them through the trading firm of Mustard and Company. It was not long, however, before the cigarette business became the chief enterprise and Mustard and Company was ultimately absorbed by the tobacco end of the business. The first cigarette-making machine, operated by hand, was imported by Mustard and Company.

Following the absorption of Mustard and Company, Mr. Thomas operated for a time through the American Tobacco Company or "trust" which was then headed by J. B. Duke. Later, when the American Tobacco Company was forced to dissolve, the China business, along with that in India, Australia and the South Seas, was incorporated under British law into the British-American Tobacco Company, which was American-controlled. During World War I, the British unexpectedly amended their China Companies Act and Hongkong corporate regulations in such a manner that American executives no longer could manage the concern or control the board of directors. As a result, Mr. Thomas and his successor, Thomas Cobbs, were the last American executives in the concern. Ultimately the British used their political power to obtain financial control of the Company.

What the future holds for the concern which Mr. Thomas established cannot be foretold. The Japanese are undoubtedly determined to drive the B.A.T. from the China market. Through their seizure of the large Chinese cigarette factories and their military and political control over the tobacco-growing areas (disputed by the guerrillas only), the Japanese have declared their intention of driving the British concern from the China field. It has been rumored that the Company is beginning to feel Japanese competition in Manchuria and North China, where the Japanese Army authorities have placed innumerable obstacles in the Company's path. Recently, one of the Chinese papers at Shanghai published a report alleging that the British-American Tobacco Company may return to American corporate control and management in order to cope with Japanese competition.

Although primarily concerned with the cigarette trade, Mr. Thomas' interests extended far beyond that sphere. He once established a bank, but expreience proved that cigarette manufacturing and selling methods could not be applied to the banking business. The bank folded up. His wide acquaintance with Chinese officials was indicated in the long list of decorations he received from various Peking governments, among them being the Mandarin Crystal Button, Order of the Golden Harvest, Order of Jade, Red Cravat with White and Blue Borders, etc.

Mr. Thomas was deeply interested in relief activities, was a life member of the Chinese Red Cross, China Famine Relief, U.S.A., China Child Welfare Association, etc. He was one of the early trustees of the Shanghai American School, China Society of America, Federal Council of Churches of Christ in America, American Hospital of Istanbul, the Council on Foreign Relations, American Asiatic Association, Academy of Political Science, Institute of Pacific Relations, English-Speaking Union, American Museum of Natural History, etc. His list of club memberships stretched all the way from Shanghai to London.

He was an active promoter of the Duke Foundation and became a trustee of the well-known Duke University, financed from the proceeds of the tobacco fortune of the late James B. Duke of the American Tobacco Company.

He was the author of magazine articles and two widely-read books, "A Pioneer Tobacco Merchant in the Orient," and "Trailing Trade a Million Miles." There is hope that someone will undertake the writing of the story of his life—because there were many points in his widespread experiences in Oriental countries which might still inspire some young Americans, although we are not very hopeful on that point—not due to the lack of abundant inspirational material in the life of Mr. Thomas, but for other reasons unnecessary to mention here.

Mr. Thomas was born at Lawsonville, Rockingham County, North Carolina, March 6, 1862. He was graduated from the Eastman National Business College at Poughkeepsie, N. Y. He was married in 1922, at Peking, to Miss Dorothy Quincy Hancock Read, a niece of the late Robert Lansing, war-time Secretary of State in President Wilson's cabinet. Aside from the widow, Mr. Thomas is survived by two children, James Augustus and Eleanor Lansing. Mr. Thomas was a member of the Presbyterian church and was a 32nd degree Mason.

J. B. P.

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The Burma Road Must be Reopened

ON July 12, Great Britain capitulated before a Japanese demand for the closure of the Burma section of the Burma-Yunnan highway, thus severing one of China's vital international communication links. The British undertook to keep the road closed for a period of three months from July 18. To this undertaking the British Government added the proviso that Japan should, in the interim, seek an "honorable peace" with China. This proviso was branded in Chungking as "hypocritical face-saving" directed at world opinion.

The three-month closure period expires on Oct. 17, less than one month from now. What is going to happen then? There has been continual Chinese agitation for the reopening of the route. Last week it was stepped up by British friends of China's cause when the China Campaign Committee in London sent to Prime Minister Winston Churchill an interim report of the reception accorded their resolution demanding the immediate and unconditional reopening of the highway. The Committee stated that although the campaign for the resolution had been running only 15 days, it had already received the support of 300,000 people in England.

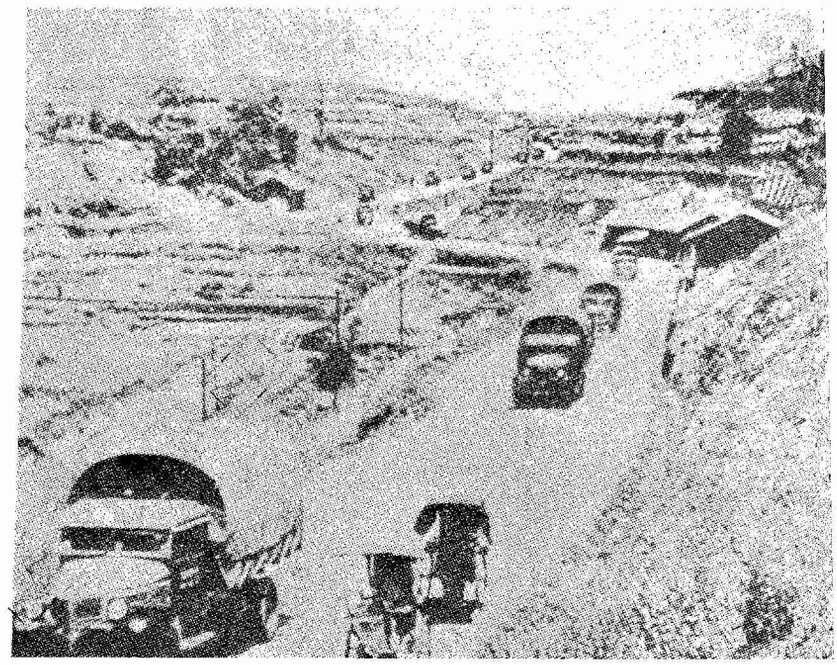
It must indeed seem strange to the thinking section of the British public that their country, engaged in a life and death struggle against Nazi-Fascist aggression in Europe, should at the same time be assisting the aggressor in the Far East. This paradox is due to the fact that British foreign policy is one of expediency. Britain's rulers, having thrown everything into the struggle against the European totalitarian states, feel that they cannot jeopardize their Empire in the East by offending Japan. This is the source of Britain's Far Eastern appeasement policy. It may be true that by acceding to Japanese demands, Britain has staved off possible Japanese attacks on Hongkong and Singapore. But meanwhile, Japan is placing herself in position to strike more effectively at those British Empire outposts when she considers the time to be ripe.

Having forced Britain to close the Burma road, Japan may be expected vigorously to oppose its reopening next month. Unless Chinese agitation is sufficiently strong, and well backed by China's foreign friends in England and elsewhere, the British Government will surely keep the road closed indefinitely. Japan will be enabled to increase her stranglehold on this country. If and when Chinese resistance to Japan peters out as a result, Japan's "southward expansion policy" will really get into its stride. Hongkong and Singapore will no longer be safe.

Britain is thus confronted with the alternatives: Either to insist on her rights as a neutral to keep open her trade routes with China; or to surrender to Japan once more in the vain hope of preserving from attack her already precarious footholds at Hongkong and Singapore. If Britain selects the latter alternative, she will have gained only the briefest respite, and that at the cost of sacrificing China. Another display of weakness can only invite additional and more far-reaching Japanese demands, as the whole long story of Japanese aggression so clearly indicates.

Originally it was understood that the British undertaking to close the Burma road applied only to the transportation of munitions and war supplies into China, but as a matter of fact, if Chungking reports are credible, the route has been hermetically sealed to the conveyance of all manner of supplies. Dr. King Pao-shan, director of China's National Health Administration, stated in Chungking on Aug. 24, according to *Reuter*: "We have no definite information as to whether medical supplies are coming through Burma as usual, but so far none of our consignments have arrived in Chungking since the closure of the road." This statement was backed up by Dr. Robert Lim, director of the China Red Cross, who also revealed that 2,500 tons of medical supplies and equipment, destined for China, were piled up in Burma and could not be moved. Transportation

Burma Road Before the Closure



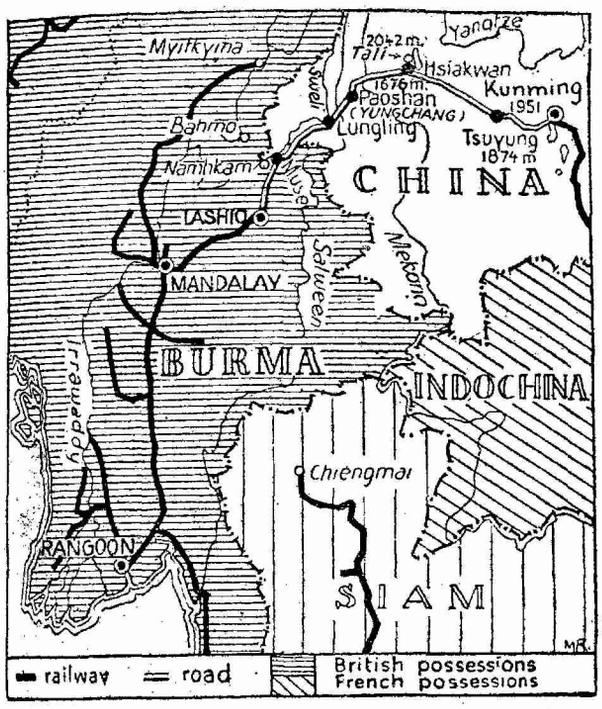
of these supplies should be permitted under the International Red Cross Convention, he added. The Japanese, however, have taken the attitude that chemicals, including medicines, are war materials and that the British would be violating their undertaking if they allowed them to be moved into China.

British propagandists who have attempted to whitewash the perfidious Burma road deal between Britain and Japan, have tried to make use of the fact that the closure was agreed to for a period during which the highway is rendered practically useless by heavy rains and floods. This special pleading was backed on Aug. 29 by a *Reuter* report from Chungking which said that the Chinese section of the road in the neighborhood of Paoshan, about 670 kilometers from Kunming, was blocked by floods several feet deep. The same report asserted that despite the British undertaking to close the Burma section of the road, there was still "considerable commercial traffic" along it.

If true, this proves what experts and travellers have emphasized before, namely, that despite floods traffic can be maintained all the year round. And this in turn means that the British, by their action in closing the highway to supplies which can be classified as war materials, have dealt a blow to China's cause.

Sir Archibald Clark Kerr, the British Ambassador, is now in Chungking, and it is expected that he will be there when the three-month closure period expires next month. There can be no doubt that the Chinese authorities will strongly insist that the highway be re-

Will it be Reopened?



Map shows the course of the Burma-Yunnan highway which connects Lashio and Kunming, meeting the Burma railway system at the former point. The British submitted to a Japanese demand to close the highway for three months as from July 18 of this year.

opened. In this demand they will have strong backing, not only from their own people but from their foreign friends in China and abroad, for the closure of this important link in China's international communications is not merely damaging to China's struggle against Japan—it is also hamstringing and blocking China's international trade.

"So Sorry!"

"SO Sorry!" is an expression that has become an integral part of the language of Japanese officialdom. It does not connote, as some might be inclined to suppose, a feeling of genuine regret, but is merely a verbal device for edging out of awkward situations. It was employed last Saturday after a Japanese naval plane "accidentally" dropped a bomb on the Canadian Pacific liner Empress of Asia off the island of Oshima, 50 miles from Tokyo.

Four Chinese members of the crew were injured and some 200 passengers were thrown into a panic when the missile crashed through the stern superstructure of the 16,909-ton liner. At first, the master of the vessel, Commander J. C. Gould, thought an attack was being made by an enemy. He ordered the life-boats made ready, but when nothing more happened he steamed into Yokohama, and after emergency repairs had been effected left for Vancouver.

According to the official Japanese account of the incident, it was a "small dummy bomb" that hit the ship and it was "accidentally" loosed on the British liner by a maneuvering Japanese naval plane. According to *United Press*, however, it was a live bomb of small caliber which struck the vessel. Since the missile crashed right through the deck and landed in a provisions storeroom, injuring four men, this latter version would seem to be the more correct.

The Japanese have said "So sorry!" But the theory of "accident" will scarcely hold water. No Japanese aviator would be likely to bomb a Japansee ship, and the Empress of Asia is such a frequent caller at the port of Tokyo that her identity could hardly have been mistaken. Moreover, a steaming vessel of such size could not very well be confused with a dummy target.

It is difficult to escape the conclusion that the act was quite deliberate, for the "So sorry!" in this case means no more than it did in the aerial machine-gunning of the British Ambassador to China, Sir Hughe Knatchbull-Hugusen, in 1937 between Shanghai and Nanking. Motive? Perhaps the Japanese were warning the British of what would be likely to happen to their shipping in this part of the world unless they cooperate still further in Japan's plans for a "New Order" in East Asia."

The Great Smuggling Racket in China

BY JOHN AHLERS

FUTURE histories of present-day China trade will remain incomplete if they take into account only legitimate commerce. Even in the field of China's foreign trade, the figures released by the Maritime Customs fail to cover substantial portions of this country's commerce. In a series of important commodities, illicit foreign commerce for years has been more important than legitimate trade. As regards domestic trade, the volume of transactions effected at variance with official regulations, restrictions, prohibitions, monopolies, etc. at present seems at least to equal, if not to surpass, the volume of legitimate business. Smuggling all over China has attained proportions so gigantic that the present situation bears comparison only with the period of the Taiping Rebellion.

The illicit China trade has to tell an exciting story of camouflage and blockade-running, squeeze and bribery, racketeering and piracy, crime and bloodshed—and enormous profits and losses. This trade has its huge smuggling "rings," its Morgans and Blackbeards, and its inevitable underground connections with legitimate business. This article is concerned with merely the economic aspect of the smuggling trade. At the bottom of the enormous expansion of smuggling in China are the Japanese invasion; the overthrow in vast regions of the legitimate authorities; the artificial partition by military front lines and puppet state boundaries of the huge whole of China; as well as the inadequacy of most governmental trade regulation and of its application either by an inexperienced or a rapacious bureaucracy. The economic cohesion of China, and the economic interdependence of the various slices into which the country's body was cut, are so great that no artificial trade limitations hold good except where sustained by outright force or genuine authority. But the country is so huge, and so torn by the war, that neither the National Government, nor the Japanese and their puppet regimes, are in a position to enforce their will everywhere in their respective spheres of domination. Age-old Chinese mercantile talent all over the country tends to defeat economic particularism, and to overcome by means of smuggling on a gigantic scale most of the new artificial barriers to trade. Economic necessity also compelled the Chinese and Japanese authorities, time and again, to tolerate

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smuggling which provided supplies and attained markets otherwise inaccessible.

Shanghai today, just as in Taiping times, is bristling with the "contact men" of all the more important smuggling rackets. These contact men are not enthroned in palatial air-conditioned offices overlooking the Whangpoo. They usually hide in more modest surroundings behind the screen of medium and small firms. But they negotiate truly big business. There are at Shanghai contact men who will undertake the safe transportation of almost any goods almost anywhere, and in large quantities. Many a manager of a big firm engaged in the legitimate side of business is visited by middlemen who, in turn, know how to approach the smugglers' contact men. As compared with the Taiping period, there seem today but very few Westerners directly involved in the smuggling trade. This business line is almost a monopoly of Asiatics; of Chinese, Japanese, Koreans and Formosan Chinese. The smugglers are to be found in all parts of Shanghai, but the "big shots" among the fraternity clearly prefer residence north of Soochow Creek to any other part of the city.

Technically, one of the biggest smuggling rackets is the illegitimate Japanese Yangtsze trade. The time is long past when the Japanese violently denied all wartime trading on the Yangtsze. Their own trade statistics betray them from month to month. For July, 1940, for instance, Japan proper and Saghalien report imports from China valued at Yen 21,042,000 while the Chinese Maritime Customs during the same month registered but $8,749,093 worth of exports to Japan. Calculating the Yen at the official Tokyo quotations, the Japanese figure for this trade is more than ten times bigger than the Chinese one. Taking the Shanghai open market value of the yen, the Japanese figure still is four times bigger. The difference is chiefly accounted for by the large shipments of Chinese goods to Japan which the Nipponese effect in the Yangtsze Valley without submission to Customs registration. The biggest Japanese business concerns and all Nipponese authorities are partners in this racket. But since it is officially sponsored and encouraged, it falls within the sphere of fraud rather than within that of proper smuggling.

Most important commodity among illicit imports in the Yangtsze region—tolerated, if not encouraged by the Japanese authorities—is opium. Unprecedented quantities of Jehol and Inner Mongolia opium for the past two years and a half have been dumped into occupied China, though the Customs statistics show nothing of this drug trade. The wholesale import business in opium is in the hands of big Japanese concerns commonly protesting respectability, while regional distribution, retail and peddlar trade are entrusted to lower-grade racketeers frequently associated with the crime world. The organization gradually built up by these racketeers in numerous instances branches out to meet that of the overland transportation rackets. It has been helpful, too, in assisting the organization of general smuggling.

Smuggling between China and Japan, however, is probably less important than smuggling between the Japanese-occupied areas and Free China. Officially, of course, no such trade is permitted by either Chungking or Tokyo. But in practice there is a big volume of such commerce. In the region of Paotou, on the Yellow River at the terminus of the railway from Peiping to Inner Mongolia, Japanese and Chinese authorities shut both eyes to the big smuggling trade which has been going on there for years. Fleets of shallow river craft and huge camel caravans from Free China laden with wool, camel hair and other Northwestern China produce regularly venture—obviously after receipt of certain assurances—within sight of Paotou. Japanese traders cross the Yellow River and acquire such produce barter against their matches, cigarettes, cotton ye needles, agricultural steel implements, etc. Much of t wool which Inner Mongolia yields to Japan actu comes from Free China territory, while units of t Eighth Route Army and of Chinese Mohammedan troo are clad in uniforms made of Japanese cloth.

Yet bigger business is transacted in smuggle between Free China and occupied territory in the Yangtz Valley. Wuhu and Anking are centers of this tra on the Lower Yangtsze, while Yochow performs th function on the Middle River. A fourth big smuggle center until recently was Ichang. The smuggling "rings on both sides of the front lines are mostly separate o ganizations, though of course closely cooperating. A several big "rings" are known to operate simultaneou in both occupied and Free China territory. Lar volumes of goods from Japan proper, as well as goo made by Japanese factories at Shanghai, especially textile constantly enter Free China from the Yangtsze regio through the mediation of these smugglers, while sub stantial volumes of Free China produce pour into Japanese occupied territory. In several places in North Kiang and North Hunan, new Chinese industrial cooperative had to cease operation because of the competition o smuggled Japanese merchandise.

The Chinese guerrillas frequently are either silen or active partners in this smuggling trade. Guerril formations unconditionally opposing smuggling seem t be exceedingly rare. Most guerrilla forces levy upo the contraband heavy transit fees, and these fees for an important part of their revenues. Some guerril regions, especially in Anhwei and Honan, encourage t establishment in their midst of big smuggling centr where constant concentration of large stores of Japane and Free China goods strangely contrasts with the abje impoverishment of the exhausted local population. T financial extortions of the guerrillas are high, but t guerrillas mostly are clever enough to refrain from t heavy demands likely to kill or drive away the smuggli trade.

The Japanese and Chinese authorities both re to smuggling between their spheres of power with policy of expediency. In numerous instances th encouraged smuggling either because they were in d perate need of the goods in possession of the other si or in consideration of legitimate business interests in volved (Shanghai Japanese cotton mills; farm produ surplus in Free China), or because of the opportunit to tax smuggling trade. Sometimes the local authoritie in both camps seem to proceed in accordance with dire tions received from their respective central authorities sometimes, the local authorities appear to ignore or sabotage such directions. From time to time, Japanes and Chinese proclaimed complete bans on smuggling only to relax such bans soon afterwards. The smuggler gradually attained largely independent positions and th carry on smuggling, ban or no ban. Their influenti personal contacts, their large financial resources, and th considerable armed man-power they are able to muste in guerrilla and no-man's-land regions, make them factor with which both Japanese and Chinese must coun Local and regional cooperation of numerous smuggli "rings," often achieved only after bloody fights betwee rival smuggling interests, today strengthens the positio of the smugglers as a whole. In China they have becom of nation-wide importance, and form an economic facto carrying such considerable weight that their disappearanc would have far-reaching economic repercussions in man parts of China, and in many lines of trade and industr at Shanghai, too.

Smuggling again is an important feature of China coastal trade. The Japanese naval blockade of th

China coast never has been complete, even when meant to be so, and frequently was not intended to strangle all coastal trade of Free China. Periods of realization of the blockade often reduced blockade-running to a mere book transaction, ships of various nationalities being permitted against payment of fees per trip and per ton of cargo to ship Shanghai, Hongkong and Western goods to nominally "blockaded" Chinese-controlled ports. Transactions are recorded under which certain "blockaded" Chinese ports for certain periods managed to arrange for wholesale continuation of their shipping. Yet throughout the Sino-Japanese war, "genuine" smuggling has also been going on along the China coast, especially south of Shanghai. Junks and little shallow-draught steamers continue with all sorts of cargo to sneak up and down the coast from the Yangtsze estuary to the Gulf of Tongking, frequently hunted by Japanese men-of-war but more often escaping than not. Larger vessels in many instances run the blockade by lingering for days along the coast, then suddenly calling after night-fall at some predetermined desolate seashore village where cargo has been accumulated through weeks and months previously, to unload and load in the darkness, and to sail before the next morning's dawn for Hongkong, Manila, Saigon or other ports.

The Chinese authorities naturally encouraged block-ade-running as such, though of course they tried to prevent blockade-running in goods whose imports are prohibited, or whose exports are monopolized in Free China. It became more and more difficult, however, to distinguish between mere blockade-runners and smugglers. The enterprising vessels and men who ran the blockade, of course, brought and loaded all sorts of cargoes that promised to pay. They extended their organization inland deep into Free China, associating themselves with Free China inter-provincial smuggling. These activities were so extensive that last year the smugglers frequently unloaded upon the Hongkong market more Free China wood-oil than the Chungking Foreign Trade Commission, which is supposed to manage a wood-oil export monopoly. Chungking fought this smuggling in prohibited and monopolized goods, but recently was glad to fall back upon the smuggling trade's clandestine apparatus when the sudden closure of the Hongkong, Indo-China and Burma routes paralyzed the former legitimate Free China trade.

The Japanese in the occupied areas invariably fought smuggling between the regions assigned to their puppet regimes at Nanking, Peiping, Kalgan and Hsinking. They want Manchuria, Inner Mongolia, North China and Central China to be treated, and to treat each other, as separate countries, restricting commercial intercourse between them to the strictly Nippon-controlled legitimate channels of trade. In this direction, however, the Japanese remained unsuccessful. The widespread smuggling rackets they once built up themselves along the Great Wall still survive, and even vigorously expand. There is a large volume of smuggling going on between Manchuria and Inner Mongolia, Manchuria and North China, and Inner Mongolia and North China. Smuggling trade between Manchuria and North China far surpasses legitimate commerce between these two regions, it was recently revealed in the Japanese press. Much of Inner Mongolia's produce is being smuggled out of the country. And in Honan-Anhwei the imaginary frontier between the supposed spheres of influence of the Peiping and the Nanking regimes is completely ignored by the powerful smuggling "rings" in guerrilla territory.

Prospects of smuggling in China still seem to be bright in view of the prolongation of the war, as well as of the continuous extension of trade regulations and restrictions. Only a restoration of genuine peace and of the unity of the country is likely to bring about the doom of the illicit trade.

Wang Ching-wei's Frenchtown Gambling House to Cost $300,000

THE new gambling house and opium-smoking "divan" which the Wang Ching-wei group and the Japanese are preparing to open shortly in the French Concession, will be located in a large foreign style building on Route Amiral Courbet, only a short distance from Avenue Foch.

According to reports in local gambling circles, the promoters of the new establishment have expended more than $300,000 on furnishings, exclusive of gambling paraphernalia, which also is ready for installation at a moment's notice.

Those who have charge of the negotiations on the Wang-Japanese side are Kung Chia-chi and Lee Shi-chun, who have charge of Wang's so-called "Special Service Section," and a Japanese named Saegusa, who is supposed to have some connection with the Japanese gendarmerie headquarters recently established in the French Concession. As reported previously in *The Review*, the Nanking agents, Kung Chia-chi and Lee Shi-chun, have already opened a "gambling-tax" bureau in the Nantao section adjoining the French Concession, where revenues derived from the nine gambling houses and opium-smoking joints in that area are collected. According to their plans the expected revenues from gambling and opium-smoking in the French Concession will also be collected by the bureau in Nantao. While the revenues are collected by agents of the Wang Ching-wei regime, the gambling house operators complain that 70% must be handed over to the Japanese as a "protection" fee.

While residents of the French Concession, particularly Amercans, Britons and Russians have raised strong objection to the introduction of gambling and opium-smoking joints in the French Concession, the chief opposition has developed—unexpectedly—from another quarter, the proprietors of the Canidrome and the Hai-Alai resorts. The proprietors of Canidrome and Hai-Alai claim that they were given a monopoly of gambling privileges in the French Concession, for which they pay liberal fees to various quarters. They fear that the opening of gambling houses containing roulette, chuck-a-luck and other games of chance, combined with opium-smoking divans, will interfere with the monopolies which they have enjoyed for many years and for which they have paid out enormous sums for protection to the French Concession authorities.

What the outcome of this "battle" between promoters of different forms of gambling in the French Concession will be, remains to be seen. The new group has an advantage in that the promoters have the support of both the Japanese and the Wang Ching-wei puppet administration at Nanking.

Aside from the gambling development in the French Concession, there were rumors in circulation this week that a well known foreign cafe and cabaret on Ave. Haig, long a land mark in the city, has been sold and shortly will also be converted into a gambling house.

The Liu-Ka or "Six Nations" gambling house already operating on Ave. Haig, adjacent to the German school and church and Nazi center, has just completed an annex, a three-story structure, which will be opened shortly. The new building was constructed by a Chinese contractor who operated night and day shifts in order to complete the work in record time. While considerable dissention exists among the six major proprietors of the Liu Ka house, it continues to attract crowds. It has more than 1,000 employes, including gunmen employed by the various proprietors to watch over their respective interests.

The Liu Ka, and the other two large houses in that section, the China Club, owned by officials of the Nanking regime, and Farrens, Ltd. which is owned by two foreigners, a German and an American, are said to pay the Wang group and the Japanese approximately $2,000,000 a month in fees, of which the Japanese are said to take 70%.

Blum Placed in Custody At Chazeron Castle

Leon Blum, former French Premier and leader of the French Socialist Party, was "administratively interned" at Chazeron Castle on Sept. 15 along with former Premiers Edouard Daladier and Paul Reynaud, General Marie Gustave Gamelin and M. Georges Mandel. All are being held by the French Government pending possible trial by the French High Court on various charges of "war guilt" and the misleading of France. According to a *Domei* report from Vichy, the present Petain regime will charge that former Premier Blum's social reforms, including the 40-hour week, were responsible for a slow-up of production, particularly in armaments, before the war and that the Blum policy of Russo-French cooperation was his greatest fault.

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China's Immigrant Colleges and Middle Schools

BY CARLETON LACY

Condensed from The Chinese Recorder

THE migration of Chinese educational institutions from the coast provinces to the interior is one of the most dramatic phenomena of recent history. The romantic story is full of tragedy, full of heroism. Half the middle schools and colleges have been on the march. A third of them have gone into the West and the Southwest. Their hundreds of teachers with their families and the thousands upon thousands of students constitute a major element in the throng of immigrants who have trekked across the country and so materially changed social life and custom in the most conservative sections of China.

THE POLICY OF MIGRATION

The evacuation and migration of educational institutions took place primarily as a matter of self-preservation, and secondarily as a matter of national policy. In some quarters, more noticeably among Mission Board administrators or Boards of Founders located outside of the country, there was some disposition to favor the closing of an institution rather than its removal. This was partly a matter of financial consideration, for the transfer of schools with their personnel and equipment to distant Western Provinces (or for that matter even from the suburbs of Shanghai into the International Settlement) has been to involve the schools in terrific expense. For this reason a larger percentage of middle schools, whose operation has been so largely dependent upon local resources, especially tuition fees, were forced to close rather than migrate. But it was also a matter of policy, for Christian colleges, most of which have been maintained as union institutions, have been built up to serve a relatively local constituency, and where there was any possibility of their migrating it would likely be either to a region in which this constituency was not to be found, or which was already being served by another union institution supported by the same groups. To move a union university and to continue to support and operate it alongside of other Christian universities serving the same churches and drawing their support from the same sources, seemed to some a waste of money and personnel, and to move into a virgin field where there was no such constituency appeared to be taking an expensive walk into a blind alley. The field administration, however, did not usually share this point of view. In some cases earlier experience had taught the institutions the disastrous consequences of even a temporary suspension of the school if it had any hopes of later resumption. A faculty and student body once scattered is most difficult to reassemble and none of the Christian colleges was prepared to sign its own tentative death warrant. Furthermore the government was urging the continuation of all educational institutions, and was prepared steadily to increase its financial support toward education (the total appropriations for productive education for 1940 announced by the Ministry of Education are fixed at $1,200,000, which represents an increase of $400,000 over the original figure). For most Chinese the maintenance of schools wherever that could be done without sacrificing educational and political freedom was regarded as a matter of national loyalty. For this reason the policy of Christian schools differed not a whit from that of Government and private institutions and with one accord (except from Peking and a few other places in North China) colleges and middle schools went out onto the road.

Some of them did not go very far. They moved out of the cities into the country, or from fighting zones into protected areas. This was true even of the colleges and middle schools as far West as Chengtu, from which city all schools and even the Szechwan University moved away. Thus in a sense in the Western provinces we find the local institutions almost as much involved in the problems of immigration as those which came from other provinces, for they have had to find makeshift accommodations in unfamiliar communities, adjust themselves to new relationships, and in some instances even reorganize their faculties more completely than schools which had moved much greater distances.

EXPENSE OF MIGRATION

Such migrations have not been easy for anyone concerned. The immense expense involved has already been referred to. Fearful sacrifices in many cases were made by faculty and students alike. Students in the Associated Universities at Kunming told of their repeated moves from Peiping south and west, involving all sorts of means of transportation including finally the long, long trail of a thousand miles by foot. Mr. Kiang Wen-han cites one college which moved seven times before reaching its present location. While practically all students and teachers talk hopefully of return to their old campuses "when we have obtained our national goal," administrators are wondering how they can possibly return. Grants for moving came from war relief funds contributed under emergency pressure which cannot be applied for the prosaic task of "moving back." Large quantities of equipment and not a little real estate has been damaged. The Ministry of Education listed war losses up to December 1939 for the national universities and colleges alone as $37,000,000, provincial colleges and universities as over $8,000,000, and private universities and colleges as nearly $45,000,000. The losses of Christian institutions of higher learning are given as follows:

University of Nanking	$15,380,400
Soochow University	550,000
University of Shanghai	1,510,000
Cheeloo University	957,000
Lingnan University	3,800,000
Chunghua University	431,000
Ginling College	6,306,000
Hangchow Christian College ...	600,000

(Presumably these are not necessarily total permanent losses if institutions are able to resume occupation of their own campuses.)

Nanking University has had one foreign member of its faculty constantly engaged since the evacuation from Nanking in 1937 trying to get necessary equipment moved to Chengtu and the task is still incomplete. The cost of transporting Hua Chung University to its present remote home in Hsichow runs into so many tens of thousands of dollars as to make one wonder how it can ever move again, or even survive where it is.

For these enormous moving expenses are now being matched by enormous surviving expenses with the extremely high cost of living in the places to which these schools have moved. Students are paying three times as much for food as they did previously. The generous support extended by the Government, by Mission Boards, and by various relief funds, have enabled most of the institutions to keep down their fees usually as low as and in some cases lower than they were before the war. But incidental expenses soar; and the cost of living for faculty members and their families is placing upon them a burden of such extreme economy and in some cases poverty as to make it a question how long they can continue. The dilemma in which not a few schools are finding themselves is expressed in one sentence: "We can't afford to carry on here, but we can't afford to move."

SETTLING IN

However unsatisfactory the financial outlook, for the most part these immigrant schools are beginning to settle down. The expression is used relatively. There is much more inclination to plan ahead for a period in the present situation than was shown eight or ten months ago. Having been for one or two years in their present locations, and seeing no immediate prospects of being able to move back, schools are giving more attention to improving their present working conditions and to laying out a careful plan for some time ahead. Some are planning for a year at a time. Others are planning for two years—for the school years 1940-1941. More and better buildings are being made available. Some of the temporary quarters in which students have been housed have been so unsatisfactory as almost to compel improvement. For the most part students in Christian schools have been better housed than in government schools, but by no means always. Nankiring University by arrangement with West China Union University is erecting permanent classroom building to care for the Nanking classes during the period of their residence on the campus there and then to revert to the West China University. William Nast Academy of Kiukiang located in a little market town on the Szechwan highway, and longing with a heart-breaking nostalgia to return down river, has erected two small buildings of fairly permanent characters, and is sinking some thousands of dollars in the slow processs of cutting a well through solid rock to find a water supply for the school. Nankai Middle School has erected a complete permanent plant at Shapienba that does not suggest even the possibilities of a disastrous bombing raid. The Methodist Chungking Girirls' School in temporary quarters at Pishan is making arrangements to move into more satisfactory buildings as soon as present rental agreements can be terminated. These are but a few illustrations of the more settled attitude toward work and location which is gradually possessing the migrant institutions.

SCHOOLS AND THEIR CONSTITUENNCIES

This settling in, however, is raising a double question for these immigrant schools: whence are they to get their students in the future, and what are their graduates to do? Durinring the early months of their location in the West these schools all had a student body composed almost entirely of those who had been in attendance at the institution in its original location. When the storm broke and the schools began to move the students were more or less scattered. In many cases they moved en masse: in other cases they were given a travelling allowance and told that the school would reopen on a given date at a stated place. Not a few of the students moved independently or with their families earlier or later and eventually reentered the institution where previouously they had

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been registered. In any case the first year saw comparatively little change in student personnel except a reduction in numbers. The second year has witnessed in most schools a sharp increase in attendance, and the third year's enrolment shows that continued upward trend. The significant thing about this increased enrolment is that usually the increase has come from among local students, or natives of the region. Nearly every school reports an increase in the percentage of native students, a decrease in the percentage of out-of-the-province students. To be sure, most of the student groups interviewed, the Bible classes and fellowship groups and informal companies of students, were from every province except that in which they were gathered, or at most there were one or two local boys and girls. This was to be expected in that local students were more apt to have native friends and associates and felt less longing for what these church associations could offer. Some immigrant shools, however, reported that as much as half of their enrolment was now local or native to the province in which they had found asylum. This meant (1) that more native sons and daughters were seeking higher education, and (2) that immigrant schools on the whole maintained a higher standard which appealed even to those who had been accustomed to more laxity in education. Everywhere it was admitted that the educational standards of the immigrant schools were higher than in local schools, especially in English and in science. These subjects were said to have been very poorly taught in the West. Nevertheless, the best scientific equipment found in any middle school laboratories was that of a local institution, perhaps partly because migrant institutions had naturally been unable to move all of their equipment, and partly no doubt due to the fact that this school had recently been thoroughly reorganized under the direction of an eminent immigrant educationalist, and incidentally had a faculty which was almost entirely immigrant.

PROBLEM OF LOCATION

The increase of local enrolment, and even more the decrease in enrolment of new students from the immigrant group was to be expected as the stream of migration began to slack. It was, however, making some of the immigrant institutions begin to question their future policy. If they did not return to their home town constituency before four classes had completed their course of study and graduated they were facing the likelihood of being no longer directly related to the constituency which they were created to serve. If that proved to be the case they were left to compete for students from the local constituency. So long as there was a steadily increasing local student enrolment this might not be serious; nevertheless it was questionable whether local middle schools, even augmented by numerous immigrant middle schools, could produce qualified students fast enough to keep filled up the ranks of all the immigrant colleges and universities. Even if they did there was almost bound to be competition in bidding for students unless colleges began emphatically to specialize. For example, by the fall of 1941 what will induce a student from Szechwan to enroll in Cheeloo University rather than in West China Union University or in Nanking University, all on the same campus? It was admitted that a considerable part of the West China Union University immigrant enrolment had come from students who arrived in Chengtu too late to enter one of the immigrant institutions which was much more strict in declining tardy registration. Such differences, however, would inevitably early be eliminated or would result in lowering standards in a spirit of competition. On the other hand in isolated institutions like Hua Chung, far removed both from its geographical and its ecclesiastical constituency, with a tradition of maintaining a very definite proportion of Christian students, the college faced the possibility of being dependent for its incoming classes almost entirely upon local schools which it was doing its best to develop to higher standards and which were very few in numbers. Even its own most closely affiliated church middle school at Chennan was a day's distance by fastest motor car, and the students at Chennan seemed little inclined to plunge that much further into the remote and expensive West when they had their choice of several good universities at the much more accessible city of Kunming. A small church college—Hwa Chung now has an enrolment of slightly less than one hundred—can maintain itself only if it has abundant financial resources and a very loyal constituency which it very definitely serves.

These migrant schools, however, are up against this second half of the problem, namely whether they can continue to serve their designated constituency not only by making their classes available to students but by making their graduates available to the supporting constituency. All over the West students talk with confidence of returning to their home provinces to invest their lives, but always with the condition, "not until after the war is over." Obviously these schools largely must turn their graduates into the area in which the colleges are located—it has always been more or less so and the situation is intensified by the unconducive aspects of life nearer the coast. Educational institutions which remain in the West, therefore, even during the next two or three years, may be forced to study as they have not done heretofore, the specific fields or vocations for which they purpose to prepare their students.

EFFECT ON LOCAL COMMUNITIES

The immigration of these educational institutions has had a deep and wide reaching influence on the communities to which they have come. Kunming, once a sleepy conservative provincial capital of probably much less than 100,000 has doubled in size, but the presence of a few thousand students and teachers is the most evident element of change. The northwestern corner of the city has every appearance now of being "a college town." Kiating, desolated by a horrible bombing and fire last summer, nevertheless teems with the thirteen hundred youths of two universities and gives the churches something quite different to think about and work for than they knew before the war. Little hsiens like Chennan in Yunnan or Pishan in Szechwan with their newly arrived middle schools, or Jenshow with its Ginling College Rural Extension school, and numerous market towns like Hsichow and Tingchiaao or the temple precincts at the foot of Mt. Omei which house part of Szechwan university—these and many other communities have felt the impact of the educational immigration so vigorously that they will never be the same. In some places the schools have set to work with will and tact and ability that have wrought real change in the behavior and the spirit of the town. In other places they have lived altogether too much to themselves. Occasionally their tactlessness, sometimes their aggression or their attitude of superiority, have met with resistance and frustration. Country folk do not like to be rushed too fast nor do natives of any place like intruders to tell them how backward they are. On the whole, however, townspeople and churches have given a reasonably generous welcome to the migrant institutions whether from the cities or from out of the provinces. The schools have not always been so generous in their attitude toward the backward churches which they have found, but the adjustments are being made probably to the mutual benefit of all concerned.

FUTURE POLICIES

As already indicated this great migration has taken most of the middle schools out of large cities into rural or semi-rural communities. This is true both of the down-river schools and the Szechwan institutions. This has been part of the reason for difficulties in adjustment referred to above. It raises another of the questions which educationalists have had up from time to time, but which heretofore has been allowed to answer itself by the mere fact of a well established school being well housed in an expensive plant. Now, however, with some plants permanently destroyed and these many schools temporarily housed in semi-rural communities, educationalists are again having to ask whether or not such location is in the best interests of the best and most practical type of education. Is it, for example, better for a girls' middle school to be located in the heart of Chengtu or in a little village 70 li outside of Chengtu? Are young men getting a better middle school education on a sumptuous campus in the bus-served suburbs of Chungking, or can the best interests of health, morals and education be served by having those boys in school among the hills one hour, or two or three hours outside of Chungking? Some of the teachers already are saying, "I hope we never go back. Better work and better spirit prevail here in the country." Others feel as though they were in exile and that education is apt to become cloistered and detached from the world. It is in part a question of curriculum and type of education, in part a question of constituency and of the type of pupils who can be attracted to study in a rural community. For many, as long as the old buildings and grounds are intact, that will be the determining factor. Property has a tremendous part to play in church and in educational policies. For others it will be determined by the duration of the war—how many changes in curriculum and methods of instruction and personnel of teachers and students take place before it is possible to raise any questions of another move. "Wait and see what happens," is the way a good many are going ahead without attempting to formulate plans or articulate policies in these days of uncertainty. Meantime it has been good to realize that necessity has been the mother of both invention and efficiency, and faculty and students, once accustomed to the finest buildings and the most up-to-date equipment, are now carrying on with new enthusiasm in poor quarters and with inadequate equipment. "If the new spirit of cooperation, sacrifice, and service which has been born in many institutions is still alive after the war, China itself will be that much the richer." (W. P. Fenn, "The Effect of the Japanese Invasion.")

Three Hundred Tokyo Taxi Dancers Looking for New Work

Three hundred Tokyo dancing girls, forced into unemployment by the compulsory closure on October 31 of the Japanese capital's public ballrooms, have started looking for other work, *Havas* reported this week. Three of the city's most popular dance halls have already closed down and their premises are occupied by business firms. Some of the suddenly unemployed girls have been taken on for office work in the new companies. The others are facing difficult times, because the bars and cafes where they could formerly have found work more akin to that which they have been doing, are compelled to reduce staffs. Most of the girls are seeking employment with commercial firms and dress salons, according to the news agency.

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Italy Invades Egypt, Spain Moves Towards Axis; Nazi Airblitz on London is Intensified

TYING in closely with the German air attack on London and other parts of England, two important developments in World War II are now being recorded—the opening of an Italian invasion of Egypt from Libya and the commencement of negotiations between Germany and Spain in Berlin. The Italian invasion of Egypt drags another neutral into the conflict (although, perhaps significantly, Egypt has not yet declared war on Italy), while the conversations in Berlin may be construed as indication that the Spain of General Francisco Franco is about to enter the war on the side of the Axis.

London announced on Sept. 15 that Italian troops had occupied the "empty village" of Sollum on the Libyan-Egyptian frontier. This was the opening move in what Rome described as a three-directional drive towards the principal military objectives in Egypt. The main push was launched along the coast from Cyrenaica. A second column was advancing northwest toward Wadi Haifa, while a third was said to be moving across the Anglo-Egyptian Suden.

Sollum, which has a small harbor on the Mediterranean, possesses no military importance of any kind, according to British sources. Egypt withdrew her border forces from that point as soon as Italy entered the war, in order to escape involvement. A company of British troops continued holding the forts until the Italians started to move last week, when they withdrew unresistingly. The Italians are said to have concentrated two full divisions, complete with artillery, against this single point.

Rome has explained that the invasion of Egypt is not a hostile act directed against Egypt, with which Italy desires to maintain friendly relations. However, since Egyptian territory is being used by Britain as a base of military and naval operations against Italy, it is not possible to respect Egyptian neutrality any longer. It remains to be seen what resistance the British forces in Egypt will put up against the Italian advance. If, as there has long been reason to suspect, the Egyptians are reluctant to see their country converted into a battleground in the interests of British war aims, the Brirish garrison will find itself with a doubly difficult task on its hands. Egypt has been "guaranteed" by Britain, but in the struggle now unfolding will in all probability be found an extremely half-hearted ally, thus furnishing fertile soil for Italian "fifth column" activity.

The extremely significant visit to Berlin of Senor Serrano Suner, Spain's Foreign Minister, coinciding as it does with the Italian assault on Egypt and the savage intensification of the German aerial attack on England, suggests quite plainly that Britain is facing a concerted attack on her Mediterranean positions. Fascist Spain's close ties with the Axis are well-known. It may well be that a Spanish attack on Gibraltar is approaching to herald Spain's entry into the war against Britain.

Senor Suner arrived in Berlin on the morning of Sept. 16 and received a royal welcome. He has conferred with Chancellor Hitler, Foreign Minister Von Ribbentrop and a number of other high Nazi functionaries. No hint has been dropped as to the nature of the talks, but Senor Suner, before leaving Madrid, gave food for thought to political speculators when he declared: "The journey which I am about to make is a journey of unique importance. To be in Berlin today is to take part in living history." And the Berlin press, in tantalizing fashion, has been dropping generous hints that something of great significance is likely to emerge from Senor Suner's visit to the Reich capital.

While Germany and Spain seem to be approach closer to each other, the first rift—only a tiny one time—has made its appearance in the relations betw Germany and Soviet Russia. The International Dan Commission, one of the last vestiges of the Versa Treaty, was "dissolved" by formal decision of the Vie conference from which issued the recent Axis aw giving Transylvania to Hungary and Dobruja to Bulga —at the expense of Rumania. Henceforth, said Ber the Western Powers will have no say in Danubian qu tions. But Moscow wants a "say" in questions c cerning this vital European waterway which empt itself into the Black Sea after skirting Russian territory.

And so on Sept. 10 Count von Schulenburg, Germa Ambassador to Soviet Russia, was summoned to t Soviet Foreign Office and there asked to inform Be

Drunk With Success

South Wales Echo, Cardiff

that the Soviet Union, as a state bordering on the Danub cannot remain indifferent to matters involving the riv and "cannot but participate in the decision of questions concerning it. Such impudence from the upstart Red no doubt irritated the Nazi upstarts in Berlin, but the nevertheless felt obliged to return a soft answer, bus as they are with defeating England. "We fully appreciat Soviet Russia's rights as a Danube state," said a Berli spokesman, according to *United Press*. Whether th answer actually delivered to Moscow was quite as soft as this, is not known, for its contents have not been revealed.

Moscow is still harboring that most mysterious of all British Ambassadors, Sir Stafford Cripps, who has not made a line of news since he went to his post in the Soviet capital many, many weeks ago. That he has a job on his hands was revealed in a *United Press* report from London on Sept. 13, which stated that Britain has proposed to Moscow a settlement of Anglo-Russian differences arising from the Soviet absorption of the Baltic states. Britain is understood to have proposed that Moscow's claim for £4,000,000 worth of Baltic gold holdings in London (which Moscow claimed) be set off against British claims for investments in Baltic states totalling £5,500,000 and the balance in Britain's favor cancelled—alternatively, that the claims of both sides be held in abeyance until the end of the war.

Soviet reaction to these proposals has not been revealed. But Moscow has good reason for stringing Britain along against the day when a break with Germany becomes unavoidable. In a variety of ways, the Moscow wirepullers are letting it be known in Berlin that Soviet "friendship" might, under certain circumstances, be switched to London. Thus on Sept. 14, Moscow-directed Communists in Bulgaria issued a manifesto (the third within ten days) violently assailing Germany and Italy and demanding that Bulgaria (which Moscow helped in the grab of Dobruja from Rumania) conclude a mutual assistance pact with Soviet Russia. The manifesto charged the Germans with desiring to organize an "anti-Soviet base in the Balkans" and alleged that thousands of German "fifth columnists" were arriving in Bulgaria for this purpose. This is the old story of German-Russian rivalry in the Balkans.

Mysterious Envoy

Sir Stafford Cripps, Left-wing Laborite, now British Ambassador to the Soviet Union.

Another phase of this rivalry is seen in repeated Moscow complaints of "provocational acts" by Rumanian troops on the Soviet border. The latest of these complaints was delivered to Bucharest on Sept. 12. The rump Rumanian state is guaranteed by the Axis. If Moscow were to seek territorial sanctions against it, there might be a first-class crisis in Soviet-German relations. From the happenings of the past two weeks, it is clear that the Balkans have been divided into Soviet and Axis spheres of influence: Germany holds sway over Hungary, Italy over Yugoslavia, Russia over Bulgaria plus the ceded portions of Rumania. But there is no firm balance. What remains of Rumania is going to be a future source of German-Soviet friction, with the sphere of conflict widening as each great power reaches out for more.

In the realm of the spectacular, the Nazi airblitz against England is still the outstanding news story. It gives place in the daily papers neither to Balkan intrigue, the Italian attack on Egypt or the question of Spain. Since the commencement of the assault two weeks ago, London has taken terrific punishment, but there is no indication that Germany has attained mastery of the skies over the British Isles. Despite this, however, there is a general feeling that Hitler's attempt at actual invasion may begin any day now.

According to *Transocean*, Air-Marshal Hermann Goering personally piloted a German bombing plane over London last Saturday night, taking off from his headquarters in a small Normandy village whence he is directing the campaign. Goering was said to have been "profoundly impressed" by the devastating effect of German air raids on London and to have said: "I am glad that I have made my air force such a powerful weapon. The German Air Force decided the issue in Poland, Norway and the campaign in the West. It will also be our sharpest sword in the struggle against Britain."

Up to the middle of this week, the Nazi raids on England had taken a toll of about 2,000 dead and 8,000 wounded, it was announced in London. Most of the casualties were recorded in the London area. There have been repeated attacks on the center of the great metropolis and fearful damage has been caused. A favorite target has been Buckingham Palace, part of which has been wrecked by bomb explosions, but without injury to the Royal Family. The famous Tate Gallery and numerous churches have also been severely damaged. Picadilly and Regent Street, fashionable shopping centers, have likewise suffered. The Germans claim to have wrought vast damage to docks, warehouses and oil installations. It was also claimed that the famous Woolwich arsenal suffered a direct bomb hit.

Thousands of children have been evacuated from the city, and the remainder of the huge population is living in perpetual terror under constant menace from the skies. How long this insane situation will continue, and what the outcome will be, are moot questions. Nazi military experts, according to a *Domei* dispatch from Berlin on Sept. 15, assert that it will be "easy" for Germany to crush Britain and that London's ultimate fate depends upon the attitude of the British Government. The British capital, they asserted, must choose the fate of Warsaw—or Paris.

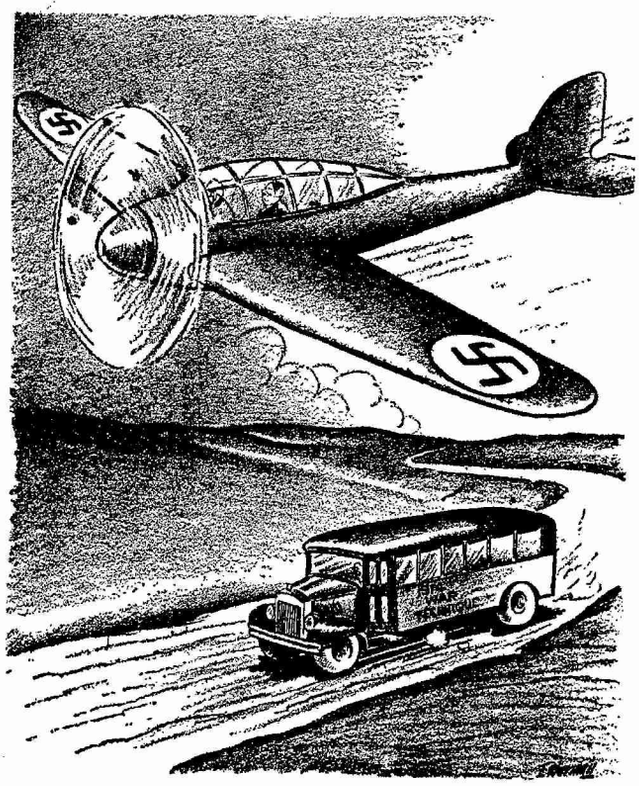
This is an invitation to Britain to capitulate. The tone of British leaders is still confident, however, and there is nothing to indicate that a surrender is likely. The Germans are wreaking fearful havoc on London and life there during the last two weeks must have been well-nigh unbearable. Without doubt, Germany has lost a considerable number of planes, but this is poor consolation to bereaved Britons, to those maimed, to others who have seen their homes blasted to smithereens. Moreover, there is little reason to suppose that the Germans, despite their air losses, cannot keep up the attack for a considerable time to come, regardless of whether any landing of troops is made or attempted. If the devastating aerial attacks of the past fortnight are kept up much longer, it seems certain that London will indeed share the fate of Warsaw—and Rotterdam; that it will be reduced to a horrible shambles; that life within it will become utterly impossible and that the population left will be obliged to flee from it; that it will become a ghost city meagerly populated by troops who will fulfill their last duty of holding the shell against invading German troops.

They Might Try This

Fitzpatrick—St. Louis Post-Dispatch

THE WAR IN CARTOONS

Hitler Missed the Bus, But—



Elderman in Washington Post

Ambitions Unlimited

Sunday Pictorial, London

Goering: "Well then, if you're going to be Archbishop of Canterbury, I'm going to be Admir the British fleet!"

Adolf Asks for More

Chicago Tribune

The Fifth Horseman

Washington Post

Armageddon in Europe

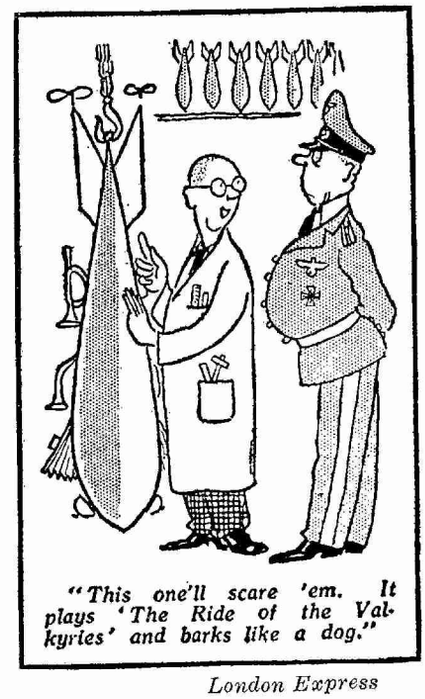
Fitzpatrick in St. Louis Post-Dispatch

Haunting Visage

Glasgow Record

German radio announcer works himself into a rage.

But it Doesn't Scare Them



"This one'll scare 'em. It plays 'The Ride of the Valkyries' and barks like a dog."

London Express

Britons jest about Nazi siren bombs.

The Mechanized Moloch

Low in New York Times Magazine

Bombing of Chungking Resumed by Japanese After a Brief Interlude

SHIELDED from the sky by a low-lying cloud-bank which prevented Japanese air attacks for a period of two weeks, Chungking again heard the roar of enemy planes at noon on Sept. 12 almost as soon as the last cloud wisp had swirled from the Yangtsze Gorges.

One hundred Japanese planes stormed the city. Among them were included the first German-type dive-bombers to be used in the Far East. The city was raided again as soon as the full moon rose in the evening. The planes, believed to have flown from the Ichang air-base, dropped bombs on the down-town business district and residential areas and spread over the countryside to lavish their attentions on several neighboring towns.

German Embassy Demolished

The fine weather continuing, the Japanese returned Sept. 13 to concentrate on Chungking's modern suburb, where a direct hit demolished the German Embassy. The dormitory of the high school of the American Methodist Mission was destroyed during the same raid and the government-operated Chialing House, where foreign visitors stay while in the wartime auxiliary capital, was rendered untenable by near-falling bombs. No casualties were suffered in any of the foreign property bombings. Inside the walled city, the Methodist Mission Hospital was badly shaken by bombs crashing nearby, but no direct damage was done it. The hospital and the Canadian Mission's business agency are the only two foreign mission properties left within the walls. The raiders again bombed the south bank of the Yangtsze, which Japanese authorities had themselves set aside as a sanctuary for foreign diplomatic missions. On Sept. 14, the bombers returned to the attack and dropped missiles on the south bank of the Yangtsze once more. The outskirts of the city were bombed, but the planes did not venture over the city proper.

Still More Raids

On Sept. 15 the Japanese returned twice in the daytime. The first raid was made over the residential district, where little damage was caused, and the second on the north bank of the Chialing River. The Mid-Autumn festival next day was made the occasion of another Japanese raid.

Reports of damage inflicted by one side on planes of the other during the raids were more boastful last week than usual. One of the Japanese dive-bombers was said to have been brought down on Sept. 12 and an official Chinese communique claimed the destruction by Chinese pursuit ships of six Japanese planes in a fight over Pishan near Chungking the following day. Other enemy planes were allegedly damaged during the same encounter. A Japanese claim put out on Sept. 16, three days after the Pishan battle, stated baldly that 27 Chinese planes had been brought down in the fight and not a single Japanese plane. The fact that the Chinese report followed the fight almost immediately, whereas the Japanese modestly waited until forced to boast of their victory, suggests that the latter was a fabrication.

Japanese air activities over other parts of free China were comparatively quiet during the week. Ningpo was again bombed on Sept. 11, when scores of civilians were killed in the business district and some 200 houses destroyed by fire, according to *Kuo Min*. For the eighth time this year Kweiyang was visited on Sept. 1[illegible] enemy air raiders which, according *Domei*, destroyed "munitions facto and godowns...."

In the field, the Chinese contin last week to leave the initiativ their guerrillas. These contin their offensive against the Japa in Shansi Province where, accor to Chungking report appearing in Shanghai *National Herald* on S 14, 500,000 guerrillas are concent ing against Japanese forces statio along the highway connecting Chi chow and Shichiachwang. So the report stated, they have torn 60 miles of the highway. The guer las have also torn up two-thirds of 70-mile-long Shihchiachwang-Taiy Railway, a report of Sept. 17 sta Farther to the east they are sai

Madame Chiang and Refugee Children

Photos by Thomas Kwang

Madame Chiang Kai-shek, wife of the Generalissimo, shows great solici'ude for the welfare of China's child refugees. In the upper picture she is seen inspecting tots made homeless by recent Japanese air raids on Chungking. Below, she is seen with children taken to the headquarters of the New Life Movement, where the first treatment they receive is a hea shave.

have torn up several miles of the Peiping-Hankow Railway near Wantu.

A later dispatch announced the reoccupation by guerrillas of several southeastern Shansi towns from which Japanese troops were said to have been driven on Sept. 11, fleeing to Tsincheng. The reports also declared that 10,000,000 Hopei peasants are in arms against the Japanese.

Railways Dynamited

In central China, guerrillas were active last week along the Canton-Hankow railway which was dynamited at Chienshan as a Japanese troop train was passing on Sept. 13. Japanese forces claimed victories over guerrillas on the Shantung-Kiangsu border last week. *Domei* reported the routing of the "Independent Brigade of the 150th Division of the Eighth Route Army" in a battle north of Fenghsien, west of Weishan Lake on Sept. 11. Another report announced the victory of a Japanese column over remnants of the New Fourth Army said to be fleeing from the Anhwei-Kiangsu border. And along the Lunghai railway the Japanese claimed to have repulsed about 800 troops of the Eighth Route Army at Tangchwang and Nanwang. None of the Japanese reports have been refuted.

The Japanese Navy was inactive during the week, except for the single shelling of Chinese shore defenses at the Chekiang port of Hwangtao by a lone warship on Sept. 14. No damage was done, according to *Kuo Min* which reported the incident.

Japanese Totalitarianism Affects Churches, Schools

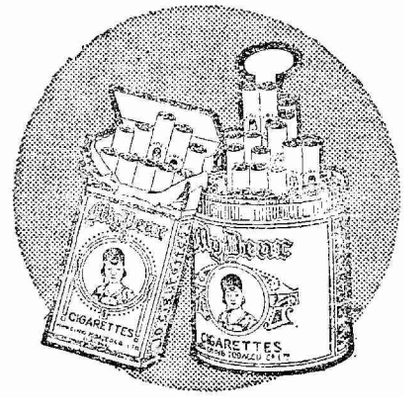
A "purely Japanese brand of Christianity" will be taught the Chinese people of occupied China by missionaries to be sent out by the Japan Christian Educational Association, *Havas* reported on September 11. The task of the missionaries will be to cooperate with Japanese national policy and to assist the Japanese Army in pacification work in the occupied areas. The Association also decided to reject all future monetary contributions from abroad and will replace foreigners in its affiliated organizations with Japanese.

The *Havas* agency reported at the same time that the Education Ministry is planning to triple its expenditure on reform of the Japanese school system during the coming year. Yen 300,000,000 out of a total Yen 800,000,000 will be spent to overhaul the general syllabus and bring schools throughout the country into line with the policy of the new totalitarianism.

Horiuchi Appointed Shanghai Consul-General

Mr. Tateki Horiuchi, former director of the East Asiatic Affairs Bureau of the Japanese Foreign Office, was formally appointed Japanese Consul-General at Shanghai and concurrently Minister-at-large in China on September 12. Mr. Horiuchi succeeds Mr. Yoshiaki Miura, who has been mentioned as the new Japanese Minister to Mexico.

China's Best



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Political Terrorism Unabated Here; Court Judges Threatened with Harm

THE scope of political terror in Shanghai was greatly enlarged last week as the Nanking regime's terrorists appeared to be gaining the upper hand of the local situation. Besides the usual murder and kidnappings which have been an almost daily occurrence in the city for months past, the terrorists got the law on their side by the simple expedient of doing their kidnapping, with Japanese aid, through the medium of police arrests.

The Wang Ching-wei group also intensified its drive against the local Chinese law courts which remain faithful to Chungking. In the field of persuasive proselytizing, the Japanese claimed that five leaders of the San Min Chu I Youth Corps, Shanghai branch, decided last week to throw their lot in with the puppets.

Police Act for Japanese

The city was shocked at the news on September 14 that the Shanghai Municipal Police of the International Settlement had at the behest of the Japanese authorities arrested Chu Chang-yin, 21-year-old jockey and stockbroker, at his home on Weihaiwei and Yates Road. Chu was not thought to have any political connections. The police in their usual fashion refused to divulge the reason for the arrest or for that matter of three clerks of the National Commercial Bank on the previous day. This last was also at the behest of the Japanese. The Settlement police arrested two Chinese engineers for the Japanese on September 13. In each case the S.M.P. minions brought their captives into the street to receive the approval of Japanese plainclothesmen who were waiting.

A Chinese vaudeville actor believed to be connected with politics was arrested by the French police on Sept. 13, at the request of the Japanese authorities.

Woman Handed Over

A Chinese woman detained by French Concession police on Aug. 23 at the time her husband, Chow Sze-ching, was shot and killed on Route Dollfus near the French Park, has been turned over to the Japanese authorities in Hongkew, it was reliably learned this week. She was walking with her husband, who was also accompanied by a male friend, when one or more assassains approached from behind and shot him dead. The French police detained the woman but gave no explanation for this action. The male friend who witnessed the murder, fearing for his life, went into hiding. The deceased man spent most of his life in Hangchow, where he operated a modern printship which did most of the printing for the Hangchow municipality and the foreign missions in the locality. The Japanese seized the plant, charging that the proprietor had connections with guerrillas. Mr. Chow then moved to Shanghai with his family. He had resided in the French Concession only six months when he was murdered.

A warning to judges, court interpreters and other officials of the First Special District Court was not taken as an idle threat, coming as it did from the headquarters of Wang Ching-wei's secret police at 76 Jessfield Road. The threatening letter warned of bodily harm "by a third party" in case the court officials refused to adhere to the new "peace and reconstruction movement." A translation of the letter from the *Shanghai Evening Post and Mercury* follows:

"There is no hope for China today in her war with Japan. The British Government's removal of her troops from China shows that Britain realizes the actual position of China.

"The American marines stationed in Shanghai are powerless to act or do any good for the Chinese people. Cooperate with us in making an established peace in China and conclude this bloody war.

"We urge you to report at 76 Jessfield Road within a week, where you will be warmly welcomed. Should you fail to do so, harm will be done to you by a third party."

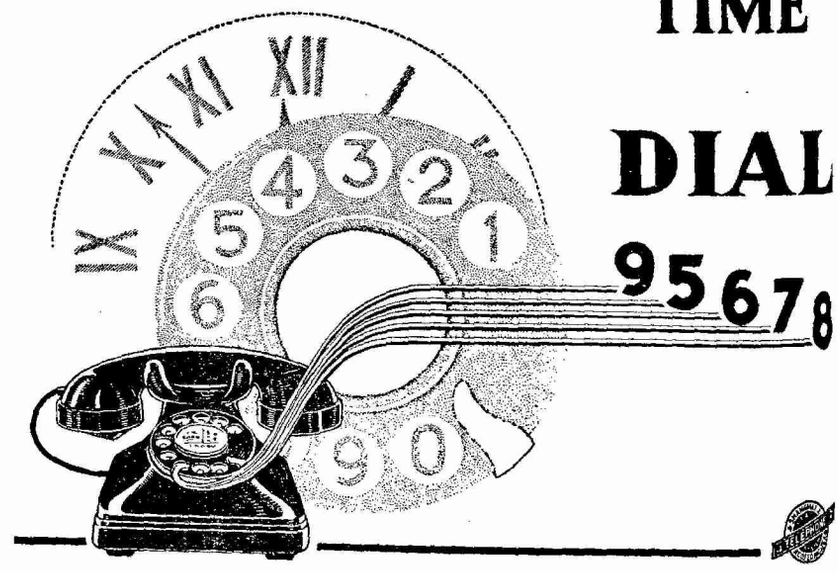
The letter was signed by the "Kuomintang Anti-Red Party."

It was reported in the *North-China Daily News* that the judges had taken up residence in the court building on North Chekiang Road. The Court itself, thoroughly frightened by its predicament, disavowed all responsibility for comment made on the "alleged" threat by court officia Receipt of the letter was not denie

The sole murder with a politi motive to be committed last week w that of Liu Yu-ying, high official in Japanese-operated textile firm. I was killed with a single bullet throu the head on Sept. 15 when he went the door of his house to recei presents for the Mid-Autumn festi from the hands of a messenger w had represented himself as comi from a friend. Liu was shot in t presence of his wife. The assas

SPECIAL BODY OF KILLER TO BE ORGANIZED?

According to informatio said to emanate from "inside puppet sources, the Japanese Gendarmerie recently gav instructions to Wang Tze-ying chief of the puppet "Special Service Action Corps," t organize a special body whose task it will be to assassinate local British, American and French nationals in sympathy with Chia's war of resistance against Japan. This step wa decided on, according to th information, because the Japanese Gendarmerie consider i unwise either to arrest or kid nap such foreign nationals. The special corps of killers, i is stated, will be under the direct control of the Japanese Gendarmerie. Wang Tze-ying (王子英), the leader, is said t be a native of Shantung.



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escaped, accompanied by an accomplice awaiting him at the gate of the house.

Shun Pao Gets Bomb

On the evening of Sept. 13 a bomb packed with a heavy charge of T.N.T. was discovered carefully concealed within the hollowed covers of three books pasted together in a single block and taken down accidentally from the library shelf of the pro-Chungking *Shun Pao*. The bomb proved to be a dud. Upon opening the "book" the wires connecting the explosive charge with two batteries failed to go off because the batteries had run down. Police believed the bomb had been "planted" several weeks earlier.

Sung I-zoong, son of the manager of the Fou Fong Flour Mill, was kidnapped in broad daylight on Sept. 12 as he was driving his family downtown along Mokanshan Road. Four gunmen halted the car at the corner of Tonquin Road, ordered Sung's family out and drove off with him. No motive has been found for the crime.

Youth Leaders Recant

The Japanese paper *Tairiku Shimpo* announced with glee on Sept. 16 that the local San Min Chu I Youth Corps was on the verge of collapse since five of its leaders had given themselves up to the Shanghai office of the Political Affairs Section of the Ministry of Police of the Nanking regime on Sept. 13. The men named were: Chi Pei-wen, chief secretary; Lu Che, chief of the direction and organization section; Wang Ko-wei, chief of the general affairs section; Chiang Meng-lin, chief of the information section, and Chang Shu-chun, chief of the action party. More important than this betrayal was the fact that the alleged turncoats handed over a list of 800 names of members of the local organization, according to the paper. If this be true then Shanghai may expect to experience a further wave of arrests conducted by the foreign police at the request of the Japanese.

Another recent Japanese triumph was the arrest in Wusih on August 23 of Lu Chin-kun, alleged ringleader of the group accused of murdering a puppet official last winter.

Kobayashi in N.E.I. For Trade Talks

Ichizo Kobayashi, Japanese Minister of Commerce and Industry, arrived in Batavia, N.E.I. on September 12 as special envoy to carry on trade negotiations with the Dutch colonial administration. Mr. Kobayashi and his suite were welcomed with all the pomp usually accorded visiting sovereigns. Before his ship, the Nissho Maru, had even docked, the Dutch welcoming committee headed by H. J. van Mook, Minister of Economic Affairs, went aboard to welcome the envoy, while Dutch warships in harbor appeared in full dress and naval planes swooped salutes overhead. Among those awaiting Mr. Kobayashi's arrival at the pier were the Japanese Consul-General, Otoji Saito, and 150 local Japanese residents.

The envoy was welcomed "in the name of Holland and the Dutch East Indies Government" and replied "in the name of the Japanese Empire and its Government." In answer to Mr. van Mook's welcoming speech, he said he shared the hope of a successful conclusion to the negotiations. Later at the Hotel des Indes where he is staying, Mr. Kobayashi told the press that he did not find Batavia as "hot" as he had been led to believe, according to *Domei*. Whether this was an aspersion or a remark on the weather was not elucidated. He added that the principle of "give and take" for mutual prosperity in international relations was particularly applicable to Japan and the N.E.I. in view of the latter's unlimited natural resources and the former's ability to furnish industrial commodities of every description. He said his mission was based on this principle, and that he sought nothing but the enhancement of economic relations between the two countries by peaceful, mutual and profitable collaboration.

On September 13, Mr. Kobayashi called on the Governor-General, Dr. A.W.L. Tjarda van Starkenbosch-Stachouwer, and thanked him for the welcome. As a prelude to the opening of negotiations, a series of receptions was to be held. A good augury for the satisfactory conclusion of the talks was the agreement reached September 14 between the N.E.I. Government and the Japanese Communications Ministry, extending the Japan-N.E.I. telephone service from the present two, to six hours. According to *Domei*, political observers in Batavia predict a happy outcome for the trade negotiations, pointing to the friendly atmosphere at present prevailing between the officials on both sides.

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Indo-China Parleys Continuing; Japan Sends New Orders to Hano

THE mystery-shrouded negotiations between Japan and the French Indo-China authorities in connection with demands which Japan has made on the French colony are still continuing at Hanoi between Admiral Decoux, the French Governor, and the Japanese mission headed by Major-Gen. Issaku Nishihara, who reportedly has received fresh instructions from Tokyo. As pointed out last week, some sort of agreement was reached in Tokyo between the Japanese Foreign Office and the French Ambassador, M. Arsene-Henry. The parleys in Hanoi are apparently intended to work out practical details of its application.

Japanese Demands

Japanese demands conceded in principle by the French are said to include the right to use naval and air bases in the French colony, and the right of passage for 60,000 Japanese troops through the territory in order to attack China from fresh points in the Southwest. The demand for passage of troops, it is believed, is connected incidentally with the fact that two Japanese divisions have been cornered by Chinese forces in Kwangsi Province and the only sure way of getting relief to them would be through Indo-China territory.

There have been reports to the effect that the cornered Japanese troops tried to break through the Chinese cordon and enter Indo-China, and that this precipitated the Sept. 7 incident in which Japanese and French colonial troops clashed at the border in the Langson district. For this violation of Indo-China territory, the Japanese made an official apology, as reported last week.

Apart from the need to relieve their beleaguered forces in Kwangsi, the Japanese demands on Indo-China pursue large strategic aims. A more concerted attack on southwest China is contemplated, with Indo-China as the base of operations, while occupation of key points in the French territory would enable the Japanese to keep the Burma-Yunnan highway closed in the event the British insist on reopening it next month upon the expiry of the three-month period specified in the Anglo-Japanese agreement.

Chinese Blast Bridge

The Chinese, alive to the danger of Japanese invasion from the fresh vantage ground of Indo-China, took their first positive step on Sept. 10 when they blew up the international railroad bridge at Hokow, thus precluding all possibility of a Japanese advance into Yunnan Province by way of the narrow-gauge line that runs from Hanoi to Kunming. International traffic on the line had been suspended by the French some time previously, in compliance with a Japanese demand.

Eye-witnesses of the destruction of the bridge, observing the act from Laokay on the French side of the border, declared that it would take several months to repair the ruined span. Train passengers from Indo-China are now proceeding as far as Laokay and crossing the Red Riv to Chinese territory by sampa according to *United Press*. A *Kuo Min* report from Chungking on Sep 12 said that the bridge had be dynamited by express order of Ge Chiang Kai-shek after receipt of report from Dr. Wellington Koo Chinese Ambassador to France, that a Franco-Japanese agreement regard ing Indo-China had been signed fo days previously.

This information from Dr. Koo w confirmed in a report sent to Chung king by the Chinese Consul-Genera in Hanoi, in which it was stated tha the French colonial authorities ha agreed to permit Japanese troops t enter the province of Tongking, an that the talks in Hanoi were simply concerned with the number of Japa ese troops to enter and the date o their landing in French territory.

China Offers Supplies

Kuo Min reported from Chungkin on Sept. 13 that the Chinese Govern ment had twice notified the French Indo-China authorities of its readines to turn over Chinese war materia accumulated at Hanoi for use by Indo-China troops in the event of Japanese invasion of the French colony. These accumulations are valu according to the *Central Daily News* amounting in value to between $80,000,000 and $100,000,000.

The same day the above report was made, air service between Hanoi and China was suspended by both com panies engaged therein. The Eurasia Aviation Company stopped its Hanoi-Kunming service, while the China National Aviation Corporation halted its Hanoi-Chungking service.

Indo-China Receives Thailand Demands

In the midst of negotiations with the Japanese mission over Japan's demands on French Indo-China, the authorities of the French colony received on Sept. 13 a series of de mands from Thailand, according to a *Domei* report from Bangkok. The demands were said to include:

1. Delimitation of the Thailand-Indo-China border with the deepest channel of the Mekong River forming the boundary, and the immediate transfer to Thailand of 40 riparian islands.

2. Cession to Thailand of the Luang Prabang area along the northern border.

3. Guarantees for the safety of the Thai race and the inhabitants of the Laos steppes in northeastern Indo-China. Failing such guarantee, Laos should be ceded to Thai.

The same day these demands were said to have been presented through the French Legation in Bangkok, five special Thailand envoys were on their way to Tokyo for a purpose unrevealed, though doubtless their mission is intimately connected with the reported Thailand demands regarding French Indo-China.

Coincident with reports that Thailand has been moving troops to the French Indo-China border, a report came from Vichy this week, asserting that France would make absolutely no territorial concessions to Thailand and that a non-aggression pact between France and Thailand, concluded last June, would come into effect in the near future. The pact is said to provide for the settlement of territorial disputes by arbitration.

There is a strong suspicion that Japan has instigated the Bangkok government to make demands on Indo-China, so that Japan's own diplomatic task will be easier. Thailand, in this case, plays a role comparable to that filled by Hungary and Bulgaria in the recent carving of Rumania. With German and Russian connivance they made territorial demands on Rumania. Rumania was induced to submit with a promise that her remaining territory would be "guaranteed" by Germany—and perhaps Russia, after that country had taken Bessarabia and Bukovina. Similarly, in all probability, French Indo-China will be persuaded by Japan to accede to Bangkok's territorial demands (after Japan has got what *she* is after) and Tokyo will then magnanimously guarantee the remainder of French Indo-China territory.

Thailand (then Siam) was carved up many years ago by the French and the British. Part of her territory was added to British Malaya and Burma, and a part to French Indo-China, just as Bulgaria and Hungary were dismembered by the Allies for the benefit of themselves and Rumania after World War I. Bulgaria and Hungary have now got back what they lost, thanks to the situation created by World War II. Similar redress seems in store for Thailand. At any rate, Thailand's territorial grievances are a very useful lever in the hands of the Japanese expansionists. If the French submit to Thailand's demands, it will not be long before the boundaries of Malaya and Burma are moved for Thailand's (and Japan's) benefit.

Japanese Detain American Coaster a Second Time

Flying the yellow quarantine flag to warn of sickness aboard, the 80-ton American motor lorcha "Estelle L" tied up at the Shanghai Bund on September 14 after a harrowing month-long trip down the Chekiang coast. The only China coaster sailing out of Shanghai under the American flag, the "Estelle L" reported having been seized by a Japanese gunboat on August 27 while homeward-bound from Wenchow. It was the second time this summer the vessel had been detained by the Japanese Navy. Without any explicit reason being given, the gunboat ordered the coaster to the Chekiang port of Likong. Two weeks of detention followed, but the skipper of the "Estelle L" was never informed why he was detained, although he surmised the Japanese official blockade of the Chekiang coast was the excuse. Finally the vessel was permitted to sail with cargo intact. Ill-luck dogged the voyage, however, for a few days before the release a woman passenger, Mrs. M. Smith, went down with dysentery and had to be rushed to hospital upon arrival in Shanghai.

Japan Gets Ready to Launch New Party

Japan's new political-economic structure is expected to get under way early in the coming week with the formation of a "central organization" which will enrol civilians in all walks of life into a monolithic state party on Fascist lines. *Domei*, which reported the outcome of the Preparatory Committee's deliberations on September 14, predicted that the new national structure "will lay a milestone in Japan's political history as the Meiji Restoration did."

The "central organization" will be headed by the Premier or by someone he designates. It will be directed by a central consultative council and a secretariat to attend to business matters. Half the members of the council will be nominated by the president upon recommendation by sub-consultative councils attached to prefectural branch offices of the new political structure. Expenses of the new national organization will be met by membership fees and government subsidies.

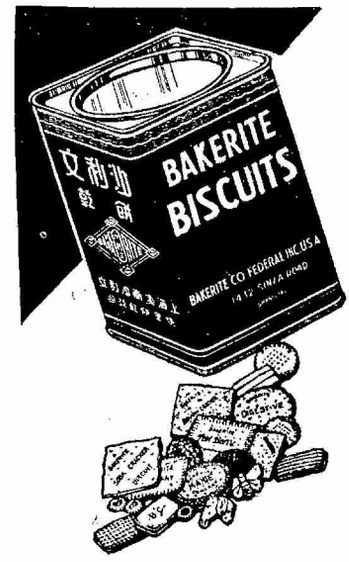
The War Minister, Lieutenant-General Hideki Tojo, promised the Army's support to the national movement during the Preparatory Committee's recent meeting. He opposed the participation of active army personnel in the movement and said that the Navy authorities shared the Army views on that score.

The first attempt to interest youth in the nationalist movement will be started by General Jinzaburo Mazaki among young men of the cities and farms, according to the *Japan Advertiser*. General Mazaki is an ultra-nationalist whose name has been linked with the Tokyo military rebellion of February 26, 1936. Collaborating with him in the organization of this Japanese version of the Hitler Youth will be Admiral Eisuke Yamamoto, retired, according to the same source.

Under the chairmanship of Premier Konoye, the Preparatory Committee of the new national organization will hold its sixth meeting next week, when final details of organization will be threshed out. The Committee will then be dissolved. On the same day Premier Konoye, as chairman of the Committee, will report on its deliberations to the Cabinet.

Reich, Manchukuo Trade Agreement is Extended

The Reich-Manchukuo agreement on trade and payments was extended for another year with the signing of a new agreement at Hsinking on September 12. Since the termination on May 31 of the previous agreement, which was ratified in 1938, the German Minister, Dr. Wilhelm Wagner, has been carrying on conversations with the Hsinking government. The new agreement was made retroactive to June 1.



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Matsuoka Sees Rift Between Japan, U.S. Widening as Embargo Extends

THE increasing divergence between American and Japanese aims in the Far East was officially recognized by Foreign Minister Yosuke Matsuoka in an address before the Japan Traders' Federation on September 13, when he announced that, "owing to the recent intensification of warfare coupled with the deterioration of our relations with the United States, the question of procuring essential commodities is becoming increasingly difficult." The primary aim of the Japanese-dominated East Asiatic economic sphere is the procurement of such commodities, in the view of the Minister.

Sees Rift Widening

Yosuke Matsuoka, Japanese Foreign Minister.

On the day following this warning, which might have been a final plea to the United States to end its sabotage of Japanese aggression through the oil and steel embargoes, President Roosevelt answered by broadening the scope of the embargo on aviation gasoline exports to include specifications and technical information on American aircraft and aircraft motors. The proclamation also placed equipment for the production of aviation fuel under license, thus virtually prohibiting the sale of such equipment to foreign nations outside the Western Hemisphere.

No Embargo Limit Yet

But the embargo on exports of primary war materials has not yet reached its farthest extent. The United States Defense Committee has already recommended to the President that a complete embargo be placed on all steel and scrap-iron now vitally necessary to build up the American war machine, *Domei* reported on September 7. Three weeks earlier, Representative Andrew J. May had asked the House to consider legislation authorizing the President to commandeer machine tools and other equipment needed by the United States defense program and consigned to Russia, Japan and elsewhere.

Further evidence that the Japanese Government has little hope of bridging the gap separating it from the United States, was revealed in the Japanese Foreign Office spokesman's statement on Sept. 16 that Japan had protested to the United States against Washington's ban on gasoline exports, on the ground that it was discrimination against Japan. The Japanese protest, said the spokesman, was delivered four or five weeks ago and a reply sent a week later.

Against Free Trade

A hint that Japan's foreign trade would be drastically reoriented as a result of present United States policy was dropped by the spokesman when he assailed the American embargo as violating the principle of free trade which Secretary of State Cordell Hull has been "so zealously advocating for so many years." In his already-quoted address of Sept. 13 the Japanese Foreign Minister had forecasted this reorientation when he stressed that the day when Japanese products, "because of their low pri and good quality, swept wor markets, is past, because the gener trend is now towards controlled balanced trade." A large proportio of Japanese manufactured goods ar sold in the United States.

What would the position of th United States be in the Far Ea should a break with Japan take pla soon? Representative Carl Hinshaw told the House on Sept. 12 that be cause of the lack of harmony existin between British and American ob jectives in the Orient, amounting t open rift in some cases, the United States "must expect to go it alone." The Congressman asserted that a break in U.S.-Japanese relations wa "perilously near." The Japanese press, however, has vigorously voice the belief that the United States actively aided by Britain, may succeed in encircling the Japanese Empire by exchanging mutual defense assurances with Australia patterned on the re cent Canadian model and by extending the American fleet outposts in th Pacific to the Singapore naval base advocated last month by Admiral Harry E. Yarnell. The *Yomiuri* leading Japanese daily, declared in Sept. 13 that the tightening of th United States embargo on essentia

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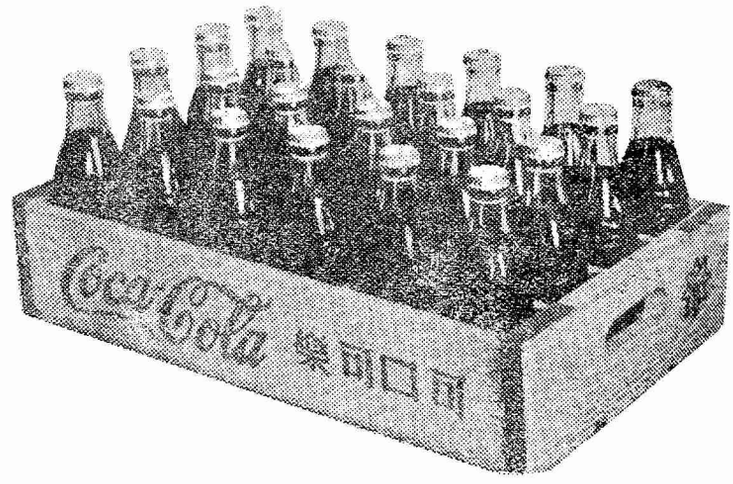

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war materials and the recent American demarche regarding maintenance of the *status quo* in Indo-China, was the prelude to a positive American policy in the Far East as a result of the understanding reached with Britain over the disposal of military defense in the Atlantic.

British Volunteers Leave for Malaya

The second contingent of Shanghai British volunteers, 60 in all, sailed on September 20 for Singapore, where they will be enlisted in various branches of the British Army prior to undergoing several months' military training before dispersal to the various war fronts. The local group will be swelled by several volunteers who arrived last week from Peiping and Tientsin. In addition to the British volunteers 10 Shanghai Frenchmen, including Mr. La Roche, will leave in the early future probably for England by way of Canada, to join the forces of "free France" under General de Gaulle.

Among the local Britons who have left are Mr. T. W. Gubb, deputy secretary of the Shanghai Municipal Council. Mr. Gubb, who has served four years with the Council, was presented with mementoes at a gathering of the staff of the Secretariat last week. Inspector H. C. Glover of the Special Branch of the Shanghai Municipal Police for the past 10 years is another of the departing volunteers who was feted last week. A large number of his friends gathered in the Police Club on September 14 to wish him luck.

Other local Britons who left Shanghai with the latest contingent were: Mr. J. Poole, usher at the British Police Court, Mr. G. John Winney of Messrs. Thos. Cook and Sons, Mr. R. L. Evans, Mr. G. A. Clayton, Mr. G. B. Shotter and Mr. R. Gerrard. The volunteers were entertained by clubs and service organizations on the eve of their departure last week.

France Pays Heavily For German Occupation

The German army of occupation is costing France 20,000,000 francs a day, it was reported by *Havas* from Vichy last week. The daily bill has been calculated from June 25, the day the Franco-German Armistice came into force. The Official Gazette of the Vichy regime published a decree on September 13 opening a special account for "cost of maintenance for the Army of occupation." According to the French news agency, the decree approved the convention already concluded by the state and the Bank of France for a 50,000,000,000 franc loan to the French Treasury.

Besides exacting this regular indemnity, the Germans are imposing harsh fines for any attempts made to sabotage their occupation. The city of Nantes was fined 5,000,000 francs for an act of sabotage on the city telephone system, *Havas* reported on September 14. Nantes had been fined 2,000,000 francs on similar grounds once before.

Kagawa Freed from Jail, Devotes Life to T.B. Work

Dr. Toyohiko Kagawa, noted Christian social welfare worker who was arrested by the Tokyo Gendarmerie at the end of August on charges of conducting anti-war propaganda, was released on Sept. 17 for lack of sufficient evidence. During his incarceration Dr. Kagawa resolved to devote the rest of his life to anti-tuberculosis work, *Domei* reported. He was reported by *Reuter* to be leaving Tokyo in the near future for Toyoshima Island, where he will start work among the patients of the Tokoshima Tuberculosis Hospital.

British Take Italian From Filipino Ship

A British warship on Sept. 14 halted the Filipino steamship Dona Aurora 115 miles west of San Fransisco and took off an Italian engineer, Mr. Angelo Gottardes. The Italian will be interned in Canada for the duration of the war, an officer of the British ship told the captain of the Dona Aurora. The British naval party which boarded the ship located the Italian only after a thorough search of the ship. He is reported to have been an employee of the Italian firm which sold the Dona Aurora and was aboard the ship as instructor to the Filipino crew. The possibility of a united Pan-American protest to Britain has been mooted, since the British violated the neutral zone around the American continent which was established at one of the recent Pan-American conferences.

British Release Japanese From London Prison

The British Government on September 12 ordered the release from a London prison of Mr. Shunsuke Tanabe, acting manager of the Mitsui Bussan Kaisha, who was arrested August 2 on charges of violating the National Defense Regulations. Mr. Tanabe was believed to have been taken into custody in retaliation for the recent arrest of Britons in Japan on espionage charges, although London denied that this was the case.

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Pucheng	Chengchow	*Wanhsien*	Changsha
Santuau	Kaifeng (Nanyang)	Ipin	Changteh
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FOREIGN CORRESPONDENTS :

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Nazi Machinations Uncovered in U. S.

Last April there arrived in New York, secretly, by way of Siberia and Japan, a prominent Nazi lawyer, whose object was to "sell" America trade cooperation after the war."

The Nazi representative was Dr. Gerhard Alois Westrick, law partner of Dr. Heinrich Albert, who had directed a huge espionage and prop-

Nazi Agent

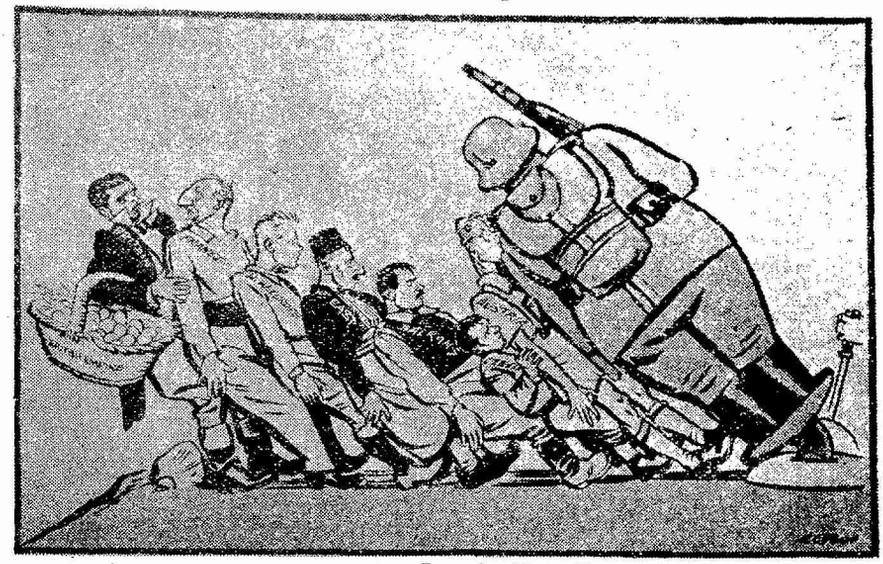
Dr. Gerhard Alois Westrick, who entered U. S. by way of Siberia and Japan.

aganda ring in the United States prior to America's entrance into the first World War. Dr. Albert was exposed through the seizure of his brief case, containing incriminating documents, by the U.S. Secret Service.

In the present instance, Dr. Westrick, who was accompanied by his handsome wife and son and a secretary, registered at the aristocratic Plaza Hotel in New York under the name of Dr. A. Webster. He carried papers accrediting him as Commercial Counsellor to the German Embassy. He did not reside long at the Plaza, however, but disappeared, only to turn up as the occupant of a handsome estate in suburban Scarsdale. Some irregularities in his application for a motor-car license led to his exposure in an article published by the New York *Herald-Tribune*. The Federal Bureau of Investigation then took up the trail and allegations were made that Dr. Westrick's private secretary, Baroness Irmingard von Wagenheim, was a relative by marriage of Nazi Foreign Minister Joachim von Ribbentrop. This she denied.

The publicity which Dr. Westrick received in the New York newspapers also had other unexpected results in that several prominent American business executives, who had had business dealings with him in Germany, were linked with him in the New York exposure. Among the charges brought against Dr. Westrick was that his real purpose was to obtain needed raw materials, particularly oil and gasoline, which he planned to ship to Hitler by way of Spain and possibly Japan, where Dr. Westrick had stopped over for a time on his way to New York.

Question of Making a Stand



Low in New York Times Magazine

Partly as a result of the disclosures concerning Dr. Westrick, Representative Wright Patman of Texas urged the Dies Committee for the Investigation of Un-American Activities to investigate indications that some big business concerns possess connections with German propaganda agencies in the United States and are promoting a plan for the appeasement of Chancellor Adolf Hitler. It was reported that Hitler—along with his Japanese partners—was holding out the bait of juicy contracts to American business after Hitler had defeated and broken up the British Empire.

Congressman Patman informed the Dies Committee that a well-known New York publicity agent, Carl Byoir, had been guilty of un-American activities. Patman charged that Byoir had been Germany's highest-paid publicity agent in the United States after Hitler came into power. Patman charged that Byoir had received US$108,000 for publicity work over a period of 18 months and that he had compiled a number of propaganda

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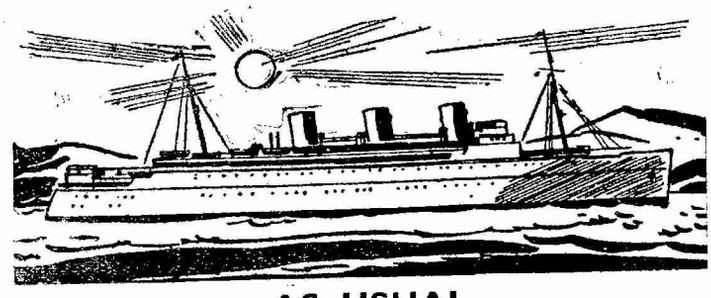

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booklets for the Nazis, one of which threatened that "any nation which showed its teeth to Germany will be smashed." Byoir denied the charges on the ground that his connection with Germany preceded the outbreak of the war and was legitimate. A subcommittee of the Dies committee finally exonerated Mr. Byoir of the charges of un-American activities.

The disclosures about Byoir attracted special attention in Washington diplomatic circles because the Byoir organization had been involved in a near-scandal over a contract to help China conduct a drive for relief in the United States. Byoir contracted to handle the publicity on behalf of the Chinese organization, but after the contract had been signed, the Chinese discovered that Byoir was conducting an extensive publicity campaign for the Japanese.

41 Killed in Powder Plant Blast in U. S.

Forty-one bodies have been taken from the smoldering ruins of the Hercules Powder Company's plant which exploded at Kenvil, New Jersey on Sept. 12. Eighty-three more injured persons were hospitalized and it was believed, according to *United Press* report, that the death toll may yet reach 100. British and American government orders worth US$1,000,000 were lost in the blast which destroyed nine powder magazines holding some 20,000 tons of smokeless powder. Property damage was estimated in the hundreds of thousands.

Eight separate U.S. Government agencies, including the Federal Bureau of Investigation, started immediate inquiries into the cause of the blast, which was the most serious since the historic "Black Tom" case of July 30, 1916. Finger-printing of all factory employees was immediately commenced in an attempt to determine whether the explosion was due to sabotage. It had been predicted 10 days earlier by the New York tabloid *P.M.* that a plot was underway to destroy the plant. The explosion has delayed the U.S. national defense program by indefinitely preventing fulfillment of contracts totalling almost US$17,000,000.

O. K. Yui to Protest Surrender of Trucks

Motor trucks and other vehicles owned by the Public Works Department of the former City Government of Greater Shanghai and given into the safe-keeping of the French Concession authorities following the hostilities of 1937, were surrendered to the Japanese early this month according to a report appearing in *The China Press* on Sept. 18. The paper stated that former Mayor O. K. Yui would protest the transfer and would hold the Concession authorities responsible for all losses and damages which the Municipality might sustain. The French authorities were said to have given the vehicles up after repeated demands from the Japanese. The transfer followed the earlier surrender of radio equipment valued at several million dollars which the Concession had held in safe-keeping for the Chinese Ministry of Communications.

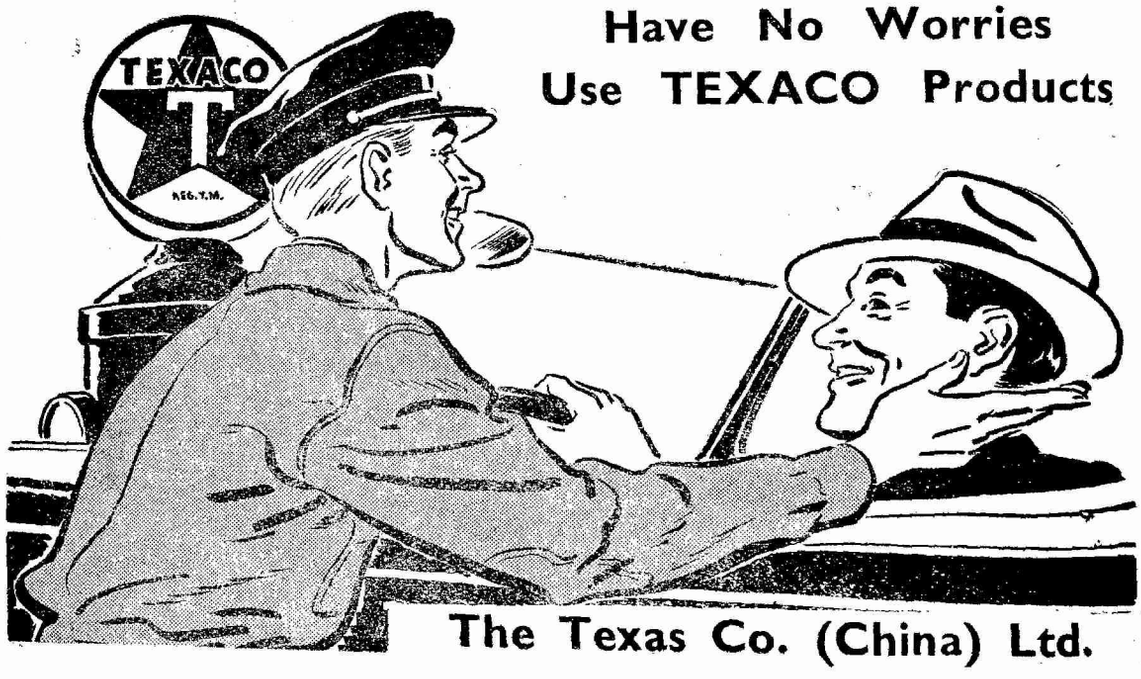
Chiang Broadcasts on Eve Of Mukden Anniversary

On the eve of the ninth anniversary of the Mukden incident, the night of Sept. 17, General Chiáng Kai-shek broadcast from Chungking a promise to the Chinese people to deliver Manchuria from the Japanese yoke. "Wait for the time when the Japanese exhaust American gasoline, aircraft and supplies and we will force them to settle accounts," he said. He added that the intense bombing of China's war capital during recent months was evidence of Japanese desperation over the lack of a decision in China; it had aroused an undying will resist in the Chinese.

In Shanghai, the anniversa passed quietly with reinforced pa patrols guarding barbed-wire ba cades at streets leading into French Concession and the Inter tional Settlement. Shanghai Vo teer Corps units patrolled streets the Settlement on foot and in tru A precaution taken by Settlem police was the censorship of an Nanking Chinese newspapers. Wh columns of white space appeared the *Chinese-American Daily News* an the *National Herald*, where editorials recalling the incident and ordina news items concerning precautio taken in Shanghai, were deleted.

112 Said Dead in Italian Raid on Palestine City

In their first indiscriminate raid in the Near East, Italian bom ers caused the death of 112 perso and the injury of 150 when th attacked the unprotected Jewish c of Tel-Aviv, Palestine, on Septemb 8. Among the dead were seven Arab The remainder were Jews, many whom may have hailed from th United States. They bore such nam as Goldman, Ginsberg and Bernste Among the wounded was Mr. Joachi Stutschewski, a cellist and compos well-known in the United States. Th city was plunged into mournin Thousands followed the dead to the graves. The raid, which was mo serious than at first believed, dem lished large sections of poorly-bui houses but did little harm to well constructed buildings. Following th raid, the Commander-in-Chief of th Australian Imperial Forces sent cable to the Mayor of Tel-Avi deploring the massacre and concl ing: "We will remember this in th time of reckoning."



Typhoon Brings Death, Destruction to Kyushu

A 40-yard-per-second typhoon battered the island of Kyushu, Japan, on September 11, bringing death and destruction in its wake. One hundred persons were reported dead, 25 injured and 60 missing when the storm had passed next day. Fifty persons were killed when the bank of the Mitsubishi Mining Company's settling reservoir in Onchiro, Oita prefecture, collapsed and buried three buildings occupied by the families of 15 miners believed to be Koreans. In the village of Kajiki Yen 100,000 in damage was caused when a brewery building and 40 houses collapsed. In the harbor of Kagoshima the 3,000-ton Osaka Maru of the Nippon Yusen Kaisha snapped her moorings and ran on to sand shoals. A ferry boat in the same harbor turned turtle, carrying four persons to their deaths. Railway communications on the island were disrupted. From Kyushu, the typhoon veered towards the Inland Sea, severely damaging field crops before disappearing in a northeasterly direction across the Japan sea.

Bad Morals Alarm Tokyo Police Force

With an average of 353 crimes ranging from murders to violations of police regulations being committed daily, the Tokyo Metropolitan Police Board is showing growing concern with the state of the capital's morals, *Domei* reports. Police statistics just revealed show that no less than 76 murders, 124 armed robberies, 50 cases of arson, 887 cases of bodily injury and 52,222 cases of various classes of thefts took place in Tokyo during the period from January 1 to July 31.

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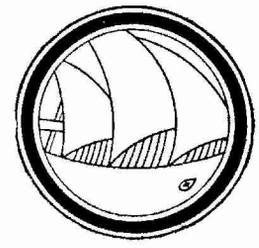
TRADE  MARK

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Vast Changes Since 1936

The last edition of *Who's Who in China* was published late in 1936, only a few months before the beginning of the Japanese invasion. Aside from a comparatively small number of business and professional men who were not directly affected by the conflict, almost every one else was drawn into the maelstrom. Three classes of public men and women have been greatly affected by the struggle—officials, military men and teachers.

SUPPLEMENT TO WHO'S WHO IN CHINA

This book, often described as the "most useful book in China," has been published biennually for the past twenty years. But it has been found difficult to republish the complete edition under prevailing conditions. Therefore, we have done the next best thing—published a supplement—containing the names, biographies and pictures of some 300 leaders, most of whom are involved in some phase of the war—in the Provincial Governments, the Cabinet or Yuans at Chungking, Diplomatic and Consular Services, Military Service, Party Work or Professional and Business Activities. There also are a considerable number of women in the book.

For those who have a copy of the last standard edition, the Supplement will bring the entire book up-to-date. For those who do not possess a copy of the last (1936) edition, we still have a limited number of copies which will be sold to those sending in their orders at once.

Price of the Supplement, including postage	$ 4.00
Price of Supplement and 1936 Edition	12.00
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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

August 16

From 50 to 90 Japanese planes bomb Luchow on the Yangtsze west of Chungking after circling over capital without attacking it. It is learned today that the hospital compound of the Canadian Mission Hospital was hit when Japanese planes raided Luchow on August 12.

Japanese military authorities express dissatisfaction with decision of Shanghai defense force committee to turn British sector "B" in west Hongkew and downtown International Settlement over to the American Marines. Decision arrived at yesterday by a two-to-one vote, British and American commanders voting affirmative, Japanese negative and Italian abstaining. Committee met yesterday; decision announced today. Japanese forces awarded former British "D" sector, Western District of Settlement. Shanghai Municipal Council approves decision but announces it will consider any Japanese counter-proposals.

Japanese naval planes raid warehouses at Hengyang, Hunan Province, and the Canton-Hankow railway, according to **Domei.** The same agency reports the occupation of Hsiachwan Island at mouth of Pearl River and the air bombing of Chinese fortifications on the Kwangtung mainland opposite the island.

***

August 17

Japanese bombers raid Tzeliutsing, western Szechwan, and two nearby cities, Fushun and Yangchang. Owing to lack of public utilities firefighting is almost impossible.

Chinese reports from northern Honan accuse Japanese forces of breaching dykes of the Sin River northeast of Sinyang. River said to be flooding country. Other reports announce eight breaches in the Yellow River dyke on eastern section of Lunghai railroad. Flood situation in northern Honan said approaching scale of tragedy of the big Yellow River flood of 1938.

Japanese army planes raid south China cities of Enlung, 150 kilometers northwest of Nanning, and Leiping 150 kilometers west of Nanning, as weather clears for first time in several weeks. Japanese claim full occupation of Hsiachwan Island after crushing local Chinese forces. Continue bombing of Kwonghoi opposite island.

Reuter reports from Washington that Government circles do not think United States will back down on Shanghai defense committee decision to give American Marines control of former British "B" sector.

***

August 18

Eight batches of Japanese planes raid Szechwan cities between noon yesterday and 3 a.m. today. Several large fires started by incendiary bombs in downtown Chungking. Continuous air-raid alarms during 15-hour period keep capital residents alert and nervous. Raiders also attack Yangchang, western Szechwan, and Wanhsien on Yangtsze below Chungking.

Taierhchwang, south Shantung Grand Canal town, scene of Chinese victory in spring of 1938, is recaptured from Japanese garrison after all communications leading to it have been cut. Japanese reinforcements rushed from Hsuchow now attempting to reach town, according to official Chungking report. Chinese forces said to be closing in on Tsengshing, main Japanese garrison town east of Canton.

Chungking reports an exceptionally large number of Japanese filtering into French Indo-China under guise of being officials attached to Japanese mission. They are said to be mapping military and naval bases and border areas of colony. Japanese demands reportedly made on colony include: (1) right to transport troops through Indo-China over Haiphong-Kunming railway; (2) occupation of some military airdromes; (3) right to use of naval bases at Camranh, Haiphong and Baidalong.

Domei reports that Japanese army planes yesterday raided Liuchow, northern Kwangsi, and a Chinese troop concentration near Pingyang, southern Kwangsi.

***

August 19

One hundred Japanese bombers raid Chungking, starting mile-long fire within walled city. Ten thousand houses and shacks, as well as foreign property including the Institutional Church of the Methodist Mission, are believed affected. Offices of all foreign news agencies wrecked or partially destroyed. Japanese report raid on Chanyang, pivotal Chinese transportation center in western Hupeh, south of Ichang. Japanese reports declare Chang important Honan Province railway ter, is being threatened by Yellow flood.

American Marines, alloted former tish "B" defense sector in Sha will postpone taking over. The hai Municipal Council announces Volunteer Corps will patrol sect the present.

***

August 20

Seventy-seven Japanese planes raid walled city of Chungking, le four-fifths of it in ruins, according **United Press.** Four thousand without homes as a result of yester and today's bombing. Actual casu reported slight. Direct bomb hits scored on the Catholic Mission Ho and damage was done the Institutio Church of the Methodist Mission.

Shanghai Volunteer Corps takes "B" sector from British troops. U States agrees to S.V.C. occupatio sector, pending outcome of discus with Japan. "D" sector is off without any defense guard pen further talks. Actually Japanese h are in control.

***

August 21

Japanese planes enter Szechwan vince headed for Chungking, but f raid city. Drop bombs on small vi to west. Seven foreign properties reported damaged as result of yester raid. General Chiang Kai-shek ap priates $1,000,000 for victims of bom Kweiyang raided yesterday for t time this year by Japanese naval pl according to **Domei.** Transport facilities destroyed. Japanese l planes yesterday destroyed Chinese t

warehouses at Lingchowan near Kweilin, Domei reports.

Official Central Daily News reports from Chungking that Vice-Admiral Decoux, Governor of French Indo-China, has turned down all Japanese demands on the colony. United States and Britain reportedly tell Japan that Indo-China status quo must be maintained.

First British troops leave Shanghai for unrevealed destination.

***

August 22

Eighth Route Army units cut rail, telephone and telegraph communications along Peiping-Hankow, Taiyuan-Shichiachwang and Tatung-Pukow railways on August 20, Japanese Army announces. Chinese shell town of Shunteh with trench mortars. Japanese claim all communications severed have been restored, except a sector of the Taiyuan-Shichiachwang line at the Chinghsing coal mines (the mines were later reported blown up). Japanese reports state mopping-up operations carried out today against guerrilla stronghold near Tsingtao.

Domei reports Japanese navy planes yesterday bombed and machine-gunned two Chinese troop trains in Kwangsin sector of Chekiang-Kiangsi Railway. Japanese navy planes today raided Tunglan, 250 kilometers northwest of Nanning, and Yehcheho, 200 miles north of Nanning, according to Domei.

Nanking-Japanese "basic treaty" reported from Tokyo to be near completion. Japanese Foreign Minister Matsuoka today tells new South Seas trading organization that Japan's objective lies in establishing a "great East Asian chain of prosperity with Japan, Manchukuo and China serving as the major link."

Japanese Army Now Being Reorganized

Basic reorganization of the Japanese Army to eliminate archaic departmentalization would be initiated September 15, Lieutenant-General Hideki Tojo, War Minister, told the Imperial Cabinet last week, according to *Domei*. The decision was evidently made unilaterally by the Army, no previous hint of cabinet discussion having been reported. The measure was resolved upon in order to improve army leadership by means of a "right-man-in-the-right-place" principle, the news agency said.

The War Minister explained that while the present world situation demands greater flexibility of the army, the rigid classification of officers and men under the present system bound them to certain specialized branches and thus curtailed the availability of human material. Effective use of mechanized units and newly-introduced arms, as well as the modernization of various army units, necessitated the abolition of present classifications, he pointed out. The present Japanese Army system dates back to 1879.

By merging the six departments, infantry, cavalry, engineer, artillery, aviation and transport, into one, an officer serving with any of these could be freely transferred to another if necessary, an act which is at present accompanied by considerable technical difficulty and delay, the War Minister said. Under the new system, classifying titles of officers and men will be dropped. A lieutenant of artillery or infantry will henceforth be merely "lieutenant." Insignia will accordingly be abolished, a step which it is hoped will confuse spies. The only branches which will be left out of the new organization will be the gendarmerie, medical and intendant corps. These will retain their own insignia. Provision has been made for the inclusion of a regular dental branch in the army sanitary corps. Dental work was previously done by civilian practitioners.

Who's Who in China

Lee Keh-kwen (K. K. Lee), businessman, born at Shanghai, Jan. 1, 1906; educated at St. John's University, Shanghai, and Columbia University, New York (B.A. 1927); head of Revenue Department, Opium Suppression Bureau of Kiangsu Province 1928; joined the Commercial Press as assistant manager of the Hongkew Branch, 1929; later with Foochow Road and Yu Yuen Road branches; edited Chinese edition of Macaulay's Essays on Lord Clive and Warren Hastings; now head of Extension Section of the Commercial Press; address, 211 Honan Road, Shanghai.

Lee Keh-kwen
坤 克 李

Kuling Resort Almost Deserted this Summer

Kuling, the Kiangsi mountain resort above the shores of Lake Poyang where many spent their summers in past years, was almost deserted this summer because of the Japanese military occupation, according to a correspondent of the *Shanghai Times*. The old British school "Redcroft" has been opened as a mission school for Chinese children and the Catholic Mission, too, has opened a school. The American School has been the scene of most of the social gatherings of the summer. One popular couple in the resort were Mr. Hugh W. White and his son Hugh White Jr., both of whom gave piano recitals at the school during the season. Among the pieces played by Mr. White were some of his own compositions written around local Chinese folk songs. The colony experienced a sad loss in the death during the summer of Mr. Henry Baker, 76-year-old civil engineer who had lived in Kuling for many years.

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Men and Events

Yu Chung-ying has been appointed Mayor of Chengtu in succession to Mayor Yang Chuan-yu, who resigned in order to accept another post.

*

Peter Grimm, American manufacturer's representative, returned to Shanghai this week after several months' absence on a business trip.

*

Clarence J. Spiker, American Consul-General at Hankow, and Mrs. Spiker, were expected to arrive in Shanghai this week on their return trip to Hankow from vacation in North China.

*

Horace H. Smith, American Consul in charge of commercial affairs, and Mrs. Smith and their two children, are departing shortly for the United States on vacation.

*

Mrs. Elizabeth Keen, who formerly was connected with the Shanghai bureau of **Havas** news agency and later the **United Press**, is engaged in free-lance newspaper writing in London.

*

L. K. Taylor, who is associated with William Hunt & Co., returned to Shanghai on the steamer President Coolidge after nine months' home leave in the United States.

*

The Ministry of Communications of Japan, has been urged to employ Lu Fu-ying acting director of the Lung-Hai Railway Administration, in succession to Chien Tsung-tse, who died recently in Chungking.

*

Judge Li Yu, president of the first division of the Supreme Court, has been appointed president of the Court, according to **Kuomin** report from Chungking. He succeeds President Chiao I-tang, who resigned recently.

*

Yin Chu-fu, Counsellor of the Szechwan Provincial Government, died in Chengtu on Sept. 15. Mr. Yin was an associate of the late Dr. Sun Yat-sen in the organization of the Tung Men Hui, earliest revolutionary party which preceded the formation of the Kuomintang.

*

William Bankhead, Speaker of the House of Representatives, died in Washington on Sept. 15 at the age of 66 after an acute attack of sciatica. He was the father of Miss Tallulah Bankhead, stage and screen actress. Representative Samuel Rayburn of Texas has been chosen to succeed him as speaker.

*

A group of German boys, members of the Hitler Youth, on their way to Japan, are expected to arrive in Hsinking, capital of Manchukuo, on Oct. 5. The Hsinking papers said the boys would be welcomed in Manchukuo and plans shortly would be made to send a delegation of Manchukuo boys to Germany.

*

A Chinese named Liu Yung-kuen, 29 years old, was sentenced to 18 months in Ward Road Jail for having in his possession 27 small parcels heroin. Liu claimed the heroin had been left with him by his father, who was selling the drug for 30 cents a package.

*

National Sun Yat-sen University, which moved from Canton to Yunnan Province in 1938, will shortly be returned to northern Kwangtung, according to **Kuomin** report from Shiuchow, northern Kwangtung province, this week. The report stated that Prof. Ting Yin had arrived at Shiuchow to make arrangements for the transfer of the school.

The **National Herold** reported last week that the Ambassadors of the Soviet Union, France, the United States and Great Britain would meet in Chungking this month. The paper said that while little was known regarding the subject of their conversations, it was thought they would discuss Japan's "southward advance."

*

The **Shun Pao** reported last week that China would shortly send a cultural mission to Russia. The group was expected to spend five months in the Soviet Union. A **Reuter** report from Chungking stated that the cultural or "goodwill" mission was circulating a letter for the signature of Chinese officials, which was to be sent to Stalin and other Soviet officials before the coming anniversary of the Soviet Revolution.

*

Lawrence A. Steinhardt, American Ambassador to Russia, who recently passed through Peiping on his way back to his post after a trip to Washington, has arrived in Moscow, according to **Havas** report. After spending several days investigating conditions in North China. Mr. Steinhardt also stopped over in Mukden where he was the guest of the American Consul-General. Takuichi Omura, president of the South Manchuria Railway, gave a luncheon for Mr. Steinhardt while he was in Mukden.

*

Gen. Chang Chih-chung, recently appointed director of the Political Affairs Department of the Military Affairs Commission, assumed his duties last week. Gen. Chang commanded the Chinese forces in the Shanghai-Woosung area at the beginning of the Japanese invasion in July, 1937. He succeeds Gen. Chen Cheng, who has assumed command of Chinese forces operating against the Japanese in the Yangtsze area.

Miss Kitsuko Okada, 65-year-old [illegible] cipal of the Tokyo Women's [illegible] Normal School, died Sept. 11 of [illegible] of the stomach. Deceased was the [illegible] Japanese woman sent to the [illegible] States for study. She attended [illegible] ley College and specialized [illegible] teaching of English.

*

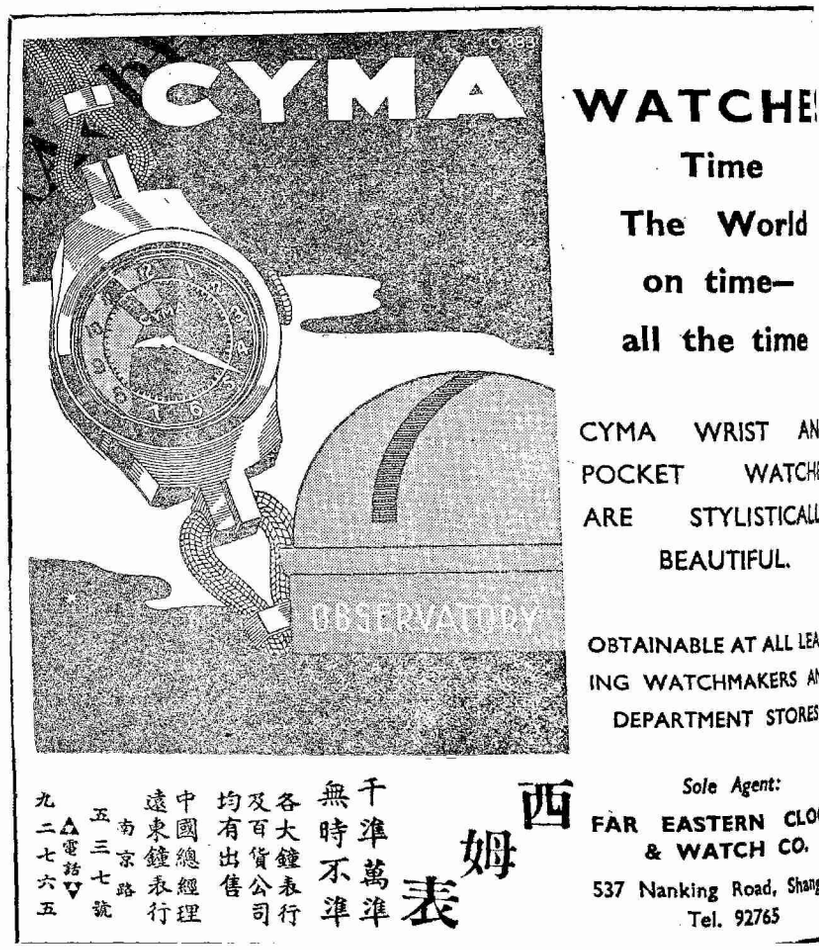
In compliance with a decision [illegible] solve all 47 branches, reached by [illegible] Japan-Manchukuo Rotary headquarters at Tokyo on September 4, the clubs [illegible] Dairen and Mukden are to be [illegible] up immediately, it was announced [illegible] week in the **Manchuria Daily** [illegible] The Dairen club met and resolved [illegible] immediate dissolution. The [illegible] Rotary is expected to follow suit in the near future.

*

The spirits of 24,141 Japanese [illegible] Chinese men "who died in order [illegible] the Empire of Manchukuo might be founded" are to be enshrined shortly [illegible] the newly-erected Mausoleum for the Loyal Dead at Hsinking, it was announced last week. Among the Japanese soldiers who will be enshrined will be Major Shintaro Nakamura, whose killing preceded the Japanese seizure of Mukden on Sept. 18, 1931.

*

A delegation of Japanese peers is [illegible] on a tour of the Japanese Mandated Islands, according to United Press message from Manila. The Japanese delegation, following a visit at Manila, proceeded to the Japanese "colony" Davao, after which they were scheduled to depart on their tour. While in Manila, they were entertained by Sergio Osmena, Vice-President of the Philippine Commonwealth. Both President Quezon and Francis B. Sayre, U. S. High Commissioner, were absent from Manila when the Japanese arrived in that city.



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Major-General Lin Chi-jen, Chief-of-Staff of the Chengtu Provisional Headquarters of the Military Affairs Commission, died in Chengtu of dysentery on Sept. 8. Gen. Lin was a graduate of the Military Staff Officers College and had previously been stationed in Chungking.

*

A report from Chungking stated that Chinese in the United States have started a drive for US$5,000,000 for a Chinese airplane fund. The report stated that $1,000,000 had already been raised, of which $500,000 had been contributed by Chinese residents of Chicago.

*

In order thoroughly to train and qualify "superior communication experts" to work in China, the Japanese Ministry of Communications has decided to establish an Asia Development Communications Engineering Institute in Tokyo, according to **Domei**. The institute will be opened next April.

*

The Academia Sinica, previously located in Shanghai and Nanking, but removed to Kunming after the outbreak of hostilities, has announced the development of a chemical research department in Kunming. Construction work on the building, started in 1939, involved an expenditure of $130,000 for equipment, of which $60,000 came from the British Boxer Indemnity refund.

*

The only department store in Tientsin, the Chunyuen Company, a six-story structure, located on Asahi Street in the Japanese Concession, was completely destroyed in a recent fire. The loss was estimated at Yen 5,000,000. The fire started in the celluloid toy department. Although located in the Japanese Concession, the company was said to be entirely Chinese-owned.

*

Two Japanese professors, Yukio Yashiro and Tokuzo Masaki, described as authorities on Chinese art, are making a tour of China for the purpose of investigating Chinese fine arts and industrial arts. They will visit Korea, Manchukuo, Jehol, Peiping, Taiyuan, Tientsin, Tsinan, Tsingtao and will spend considerable time in Nanking and Shanghai.

*

All necessary arrangements have now been made for the transport of the body of the late Panchen Lama to Tibet, according to **Havas** report from Chungking. The body of the late spiritual ruler of Tibet is now at Yushu in southern Chinghai, where it is being guarded by the late Panchen Lama's followers, who have had charge of the remains since his death three years ago. The Panchen Lama was on his return voyage to Lhasa—after an exile of 10 years in China—when he died.

*

The Chinese Ministry of Education has instructed the various colleges and universities to select fourteen professors, who have been teaching continuously for seven years, to engage in special research work for periods ranging from six months to a year. During this period their salaries will be paid by the Ministry. The report from Chungking failed to state the nature of the research work which the professors will be expected to do.

*

Prince Fumimaro Konoye, Premier of Japan, has been urged to employ a body-bodyguard formed of young men similar to those enrolled in Hitler's Elite Guard, the **Kokumin Shimbun** reported last week. The newspaper stated that young men eager for "political renovation" have been advocating formation of a powerful corps which would act under the direct orders of the Premier.

Dr. M. Fischer, German Consul-General, has returned to Shanghai from vacation.

*

The Japanese Government has appointed Commander Suetsugu Yamaguchi as Naval Attache to the Japanese Embassy in Moscow and concurrently naval attache to the Japanese Legation in Finland.

*

According to the **Shun Pao**, the Japanese authorities have agreed to the shipment of 100 tons of medical suplies from Shanghai to mission hospitals in the interior. The shipments will be handled by some 30 American and British church organizations.

*

The Mexican Government on Sept. 18 officially denied a report that 20,000 Chinese had concentrated along the border between Mexico and the United States with the object of migrating to the U.S.A. The report was also denied by the Chinese Legation in Mexico City.

*

Foreign newsreels are henceforth to be subjected to strict censorship before exhibition in Japanese movie houses, the Tokyo **Nichi-Nichi** stated on Sept. 12. They will no longer be called newsreels, but "pictures of the times," and will be liberally sprinkled with Japanese topics and given subtitles in Japanese.

*

The U. S. Marine detachment at Tientsin recently staged a parade in honor of the American Chamber of Commerce in that city. Herman M. Young, chairman of the Chamber, took the salute while standing alongside Lieut.-Col. R. A. Robinson, commanding officer. The Marine Band from Peiping participated in the ceremony, which was interpreted as a gesture indicating U. S. Government support of the American community in Tientsin.

When the Butterfield and Swire steamer Tsinan docked at Shanghai recently, the Japanese went aboard and arrested a Chinese man and his wife. The reason for the arrest was that the Japanese found in their baggage a book entitled, "Kidnapping of Gen. Chiang Kai-shek at Sian." The man and woman were natives of Tientsin. They were taken to Hongkew by Japanese gendarmes, according to a report of the incident in the **Shun Pao**.

*

In view of the growing importance of Tsingtao as a link between North China and Japan, the municipal authorities of the city have decided to create a "Greater Tsingtao City" around the Bay of Kiaochow, centering on the present city area, according to a **Domei** report from Tokyo. The Japanese Ministry of Interior will send one of its secretaries, Mr. Renji Ono, and three engineers of its Planning Section to survey the area and plan harbors, roads and railways, the report stated.

*

Cornelius Vanderbilt Whitney, chairman of the board of directors of Pan-American Airways, is making a tour of Netherlands Indies and other points in the South Seas, in company with seven other American businessmen and newspaper correspondents. The party arrived in Batavia on Sept. 12, following a tour of Australia and New Zealand. The party had planned to visit Singapore but were forced to abandon the trip in favor of the Netherlands Indies. The group included Edward MacDonald, director of Pan American Airways; Fletcher Brown, Mayor of Los Angeles; J. Van Norman, president of the Los Angeles Chamber of Commerce; Stephen Royce, a Pasadena hotel director; Clem W. Randau, vice-president and general business manager of the **United Press**; and Paul Patterson, president and Editor of the **Baltimore Sun**.

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The Chinese Minister to Panama has been authorized to attend the inauguration of Dr. Arnulfo Arias, new President of the Panamanian Republic, as a special envoy of the Chinese Republic.

*

According to the **Shun Pao**, Japanese bombers which visited Ningpo, Chekiang Province, on Sept. 9, destroyed an American mission church. Two bombs struck the building, according to the report. No one was killed or wounded in the attack.

*

M. Jean Brediam, chairman of the Municipal Council of the Shanghai French Concession since Feb. 8, 1935, departed for France on Sept. 11 after 13 years' residence in China. Health and family reasons forced him to annul his contract with the Council, it was stated.

*

Three opium addicts and two proprietors of opium-smoking dens were shot in Chengtu on Sept. 12 on orders of Gen. Chiang Kai-shek, president of the Military Affairs Commission and concurrently superintendent of Opium Suppression in Szechwan Province. The men were tried in accordance with the opium suppression law.

*

F. D. Mortimer, manager of the Chinese-American Publishing Company, returned to Shanghai this week from vacation spent in the United States. Mr. Mortimer drove his motor car across the country from San Francisco and return and was in San Francisco at the beginning of the latest maneuvers of the U. S. Pacific Fleet.

*

Cornell S. Franklin, former chairman of the Municipal Council of the International Settlement, and well-known local attorney, will be director of a new Chinese publishing house, known as Federal Publishing Company, Inc. The company will publish a Chinese newspaper, known as the **Tseng Yen Pao**. The paper is said to have the support of Dr. K. C. Wu, formerly connected with the Municipality of Greater Shanghai, and will follow a pro-Nationalist policy in Chinese affairs.

*

Jesse Jones, chairman of the Reconstruction Finance Corporation in the Roosevelt Administration, has been nominated for the post of U.S. Secretary of Commerce. As chairman of the Reconstruction Finance Corporation, Mr. Jones also headed the executive committee of the Export-Import Bank, which made several loans to China. Prior to entering government service in 1932, Mr. Jones was chairman of the board of the Texas Company. The Senate, on Sept. 12, approved an additional appropriation of US$500,000,000 for the Export-Import Bank, the chief purpose being to finance purchases of raw products and construction projects in South America.

*

The annual conference of six leading Chinese academic societies opened at Kunming on Sunday, Sept. 15, with more than 200 members in attendance. The societies represented were the Astronomical Society, Mathematics Society, Physics Society, Agricultural Society and Botanical Society. Dr. Hsiung Ti-chih presided at the opening meeting and read a message of welcome from Tai Chi-tao, president of the Examination Yuan, and Dr. Weng Wen-hao, Minister of Economics. Dr. Li Shu-hua made a report on the history and work of the six societies. Congratulatory telegrams were sent to Gen. Chiang Kai-shek, President Lin Sen and Gen. Lung Yun, chairman of Yunnan.

Mai Huan-chang, member of the trol Yuan, died at the Wu-Han tarium at Chungking on Saturday 14. He became a member of the trol Yuan in 1933.

*

C. J. Doughty, local American ing contractor, was fined US$50 his driving license suspended month in the U.S. Court for Tuesday of this week, on a driving while intoxicated. It closed that Mr. Doughty drove into the police barrier on Honan near Avenue Edward VII, on the of August 14. Police and on duty testified that Mr. Doughty under the influence of liquor. Doughty was represented by N. man. Charles Richardson, Jr., District Attorney, in prosecuting charge called attention to the of the District of Columbia Code this particular offense, the penalty being revocation of license six months and a fine of US$200.

T. V. Soong Said to Ha Raised Big Loan in U.S.

The unconfirmed report that T. Soong has been successful in rai a loan of US$135,000,000 in United States for the Chinese G ernment, was reported by the *national News Service* on Sept. 1 be considered correct in Hongk circles "in close touch with finan authorities in Chungking." The *News*, a Hongkong vernacular, n tedly owned by H. H. Kung, Chi Minister of Finance, has asserted the report is correct, according *I.N.S.* The *China Evening News* another vernacular paper contact with Chinese financial circles wh vouches for the truth of the repo Other sources, said the news agen place the forthcoming loan US$100,000,000. According to a official Chungking report quoted the agency, both American official non-official quarters have pled support to the Chinese cause fin cially and diplomatically, and v this knowledge "China is more det mined than ever to fight Japan to end." The report adds that the l will be partly in credit, partly in ca China's offer of security has b accepted, it continues. The rep declares that revival of the stabili tion fund to support the Chin dollar will probably take place af T. V. Soong's return in October. T chnical pitfalls which proved t downfall of the old fund will b avoided in future, it promised.

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New Books of Interest in the Far East

Britain's Unemployed

TEN LEAN YEARS: An Examination of the Record of the National Government in the Field of Unemployment. By Wal Hannington. London, Victor Gollancz, Ltd., 1940. Stiff board, 287 pages, appendices.

This book follows the problems of unemployment in Britain from 1929 into the beginning of the present war. The Labour Government which took office in May 1929, the first year of the second world economic crisis, developed no policy that could win the confidence and respect of the working class, the very class which had given it power in the general election. Capitalist rationalization was the cure for unemployment advanced by Mr. J. H. Thomas, the minister for unemployment, even though Ramsay MacDonald had said the previous year, "The more rationalization, the more unemployment."

The National Government formed in 1931 included four leaders of the Labour Party, MacDonald, Snowden, Thomas and Lord Sankey. This government started with a disillusioned working class which saw, writes Mr. Hannington, "a Government which from the first day of its operation set out to attack the standards of living of the working class and make them pay for the crisis which capitalism had produced." The book deals primarily with the National Government policies toward the unemployed and the social and physical conditions forced upon the unemployed.

The last chapter deals with unemployment and the war. The author concludes somewhat bitterly:

"The unemployed during the past twenty years could not expect anything more than starvation standards because of the heavy drain on our national resources resulting from the war of 1914. When war starts again, and six million pounds a day is found for keeping it going, the working class cannot expect to maintain their previous standards because of the 'immense sums of money' which the nation had to find for unemployment during peace, and which has resulted in a 'complete distortion of our national economy.' It's all so simple! You starve in peace because of the costs of war, and you starve in war because of the costs of peace!"

The reviewer feels that a serious attitude toward a book of this nature is necessary. England's dependence upon her working people is obvious; and the people's trust in the government is a sine qua non for successful prosecution of the war.

F.M.R.

First of a Series

HISTORICAL STUDIES: Australia and New Zealand. Vol. I. No. 1. April, 1940. Melbourne University Press. Twice yearly; annual subscription 10/6d; single copies five shillings.

The initial issue of Historical Studies well illustrates the object of the editorial board. Provision is made for publication of material dealing with the history of Australia, New Zealand, the Pacific, as well as work on non-Australasian subjects by historians in Australasia.

The first article is a useful and critical survey of books available for the study of ancient history, from the Stone Age through the Roman period. It is written by A. H. MacDonald of the University of Sydney. The definite analysis of each book listed in the article will make it useful to teachers in preparatory schools as well as in colleges.

Other articles are New Zealand Centennial History by D.O.W. Hall; Mr. Gladstone and the Governor, The Recall of Sir John Eardley-Wilmot from Van Diemen's Land, 1846, by Kathleen Fitzpatrick, University of Melbourne. Steps are being taken to preserve and awaken interest in the historical records of Australia and New Zealand. This publication should be a medium for such studies. Several articles in this first issue show the type of record which is being studied. One section of the journal is given to book reviews and publications on Australian history.

R.

America's Foreign Trade

OUR WORLD TRADE IN 1939: Value and Volume of Principal Exports and Imports Between United States and Chief Foreign Markets. 77th quarterly issue. April, 1940. Foreign Commerce Department, Chamber of Commerce of U.S., Washington, D. C. Paper, 31 pages.

This analysis of United States export and import trade by the U.S. Chamber of Commerce covers eight months preceding the outbreak of the European War and four months following. The military situation explains the growth and fall in amount of certain export and import commodities. For the first eight months, the export growth was in part due to purchasing for purposes associated with war preparations. The months September through December reflect the diversion of commerce both to and from the United States due to the war and the United States neutrality legislation. Germany, Poland and Czechoslovakia disappear from the list of important suppliers and customers. Neutral trade looked to the United States as supplies from Europe became uncertain.

The Department of Commerce estimates that the quantity of exports was 4.8% above the 1938 estimates and 24% above the five-year average quantity. However, the average export price was 1.5% below 1938 and 3% under the five-year average. The total exports of merchandise exceeded the general imports by $859,086,000, compared with an export merchandise excess in 1938 of $1,134,012,000. The report shows that imports of gold into the U.S. far exceeded those of any like period in history, being well over three and a half billion dollars. These heavy imports represent funds seeking safety in the U.S., gold attracted by the government's high purchase price and transfers for the purpose of settling for the excess of merchandise exports from the U.S.

Tables of statistics compare exports and imports during 1939 with other periods. Automotive and foodstuff exports have declined, but there was increase in cotton exports, aircraft, metals and machinery. Among imports, crude rubber occupied first place, followed by coffee, cane sugar and raw silk. Raw silk advanced from U.S.$1.60 per pound for 1938 to U.S.$2.34 for 1939, and imports declined to 51,600,000 pounds, the smallest receipts since 1924. Among customers of the U.S. in 1939, Japan occupies third place, taking 7.3% of the total U.S. exports. China occupies eighteenth place, taking 1.8% of U.S. exports. Japan stands second as a source of U.S. imports, with 7.1% of the total. China stands twelfth, with 2.7% of U.S. imports.

These reports from the Chamber of Commerce of the U.S. are based upon the official statistics published by the Bureau of Foreign and Domestic Com-

JAPAN'S WAR IN CHINA

When the Sino-Japanese hostilities broke at Peiping on July 7, 1937 and at Shanghai on August 13 of the same year, THE CHINA WEEKLY REVIEW immediately began compiling a day-to-day record of out-standing developments in the struggle including the diplomatic side as well as the military. These handy little volumes, each covering a period of six months, have now reached five.

They are 5" × 7½" in size and the number of pages runs from 116 to 180 for the different volumes.

Vol. 5 of the detailed day-to-day record of Sino-Japanese hostilities is now off the press. It covers the period from July 7, 1939 to December 31, 1939.

Outstanding developments in this period include the beginning of Japan's air raids on Chungking, Wang Ching-wei's activities at Nanking, Anglo-Japanese negotiations over the Tientsin incident, beginning of terrorism at Shanghai, abrogation of the American-Japanese Trade treaty, initiation of anti-foreign movements by Japanese Army authorities, "slapping" and "stripping" incidents at Tientsin, Ambassador Grew's denunciation of Japan's anti-American activities in China, beginning of U.S. "moral" embargo against Japan, etc., etc.

Preceding volumes of this series cover the following 6-month periods:

Vol. I —July 7, 1937 to Jan. 2 1938
Vol. II —Jan. 2, 1938 to July 7, 1938
Vol. III—July 8, 1938 to Dec. 31, 1938
Vol. IV—Jan. 1, 1939 to July 6, 1939

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In the United States Court for China

In re: ESTATE of JOHN FRANCIS MANNING, Deceased.

Cause No. 4514
Special Proceedings No. 2393
NOTICE
Filed at Shanghai, China,
September 3, 1940
WILLIAM T. COLLINS
Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of John Francis Manning, deceased, to present the same with vouchers to the undersigned on or before March 7, 1941, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

PAUL F. KOPS,
Administrator.

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Shanghai, China.

Shanghai, China.

merce of the U.S. Department of Commerce. They give a valuable short survey of the foreign trade field.

F.M.R.

China's Gentler Sex

CHINESE WOMEN AND THE WAR.—By Eva Dykes Spicer, M. A. (Oxon), Professor of Religion, Ginling College, Chengtu. Published by China Information Committee, Chungking. Paper, 27 pages.

The activity of Chinese women at the present time is directed toward a two-fold aim: the preservation of their country and their own emancipation, says Eva Spicer of Ginling College, in her study on Chinese women and the war. This pamphlet has a realistic point of view, showing as it does the balance between the group of women leaders with the student class ranged behind them, and the vast mass of uneducated womanhood.

The work carried on by women since 1935 shows a wider variety than one would expect: demonstrations to resist Japanese forward policy, courses in military nursing, and war work similar to the activities of women in the West. But in addition there have been other departures: political and educational work among the soldiers at the front, work to develop understanding between the army and the people. Organizations have been active, such as the Women's War Aid Association, with branches in Chinese cities as well as overseas, the Women's Wartime Service Corps and the Women's Enemy-Resisting and National Salvation Association. The work of correlating women's activities was begun with a conference called by Madame Chiang Kai-shek at Kuling in 1938, after which the Women's Committee of the New Life Movement took over direction and correlation of women's activities.

Particular women mentioned in this study come from all groups and sections: old Mother Chao, the present guerrilla leader of Manchuria, the two writers Hsieh Bing-ying and Ting Ling (the pen name for Chang Bih-dji), Mrs. Chou En-lai, wife of the communist representative, Dr. Wu Yi-fang, one of the prominent women educationalists of China, and Madame Chiang herself.

With Japan and the occupied areas in mind, Chinese women see, says Miss Spicer, "how quickly the door of opportunity and freedom would be closed to them were Japan to rule in China." Recognition of this fact has been a great spur to the women of China.

F.M.R.

Japanese People Demand Indissoluble Towels

Because the Japanese public has been loud in its complaints against towels made of "sufu" or staple fiber, which is said to dissolve quickly when wet, the Imperial Government is giving serious consideration to a proposal which would allow every Japanese one new cotton cloth towel per year. At present the ration is one cotton cloth towel per capita every three years. According to *Domei*, this about-face in national policy will necessitate the diversion of much cotton now used in foreign trade, to domestic trade. Under the prevailing system hospitals and clinics may obtain good towels without rigid restriction. In order to forestall improper distribution under the proposed new rationing, towels will be stamped with labels announcing their use "for barbers," "for household," "for babies."

In the United States Court for China

In the Matter of the Application of Arthur Berlin and his wife Judith Hart Berlin to change their names

Cause No. 4521
Special Proc. No. 2400
NOTICE
Filed at Shanghai China,
Sept. 9th., 1940
WILLIAM T. COLLINS
Clerk

Notice is hereby given that Arthur Berlin and his wife, Judith Hart Berlin, intend to make application to the United States Court for China at Shanghai for an Order authorizing them to change their names from Arthur Berlin to ARTHUR HART BURLING and from Judith Hart Berlin to JUDITH HART BURLING in accordance with the provisions of the Statute such case made and provided.

This application is made on the following grounds:

That your Petitioner, Arthur Berlin was born in Boston, Mass., U.S.A. on August 4th, 1901: he was educated at the Boston Latin School and graduated from Harvard University in June, 1923.

That the name Berlin is taken by persons with whom your Petitioner, Arthur Berlin, has business and social relations as indicating that your Petitioner, Arthur Berlin, is of German nationality or descent.

That your Petitioner, Arthur Berlin, is not German or of German descent, and is 100 per cent. American, with high American ideals and your Petitioners have no other reasons for desiring such change of name, and are not aware of any objection to said change existing, nor do your Petitioners know of any reason that can be urged against it.

Dated: Shanghai, China, September 9th, 1940.

(sd) Arthur Berlin.

.....

(sd) Judith Hart Berlin.

.....

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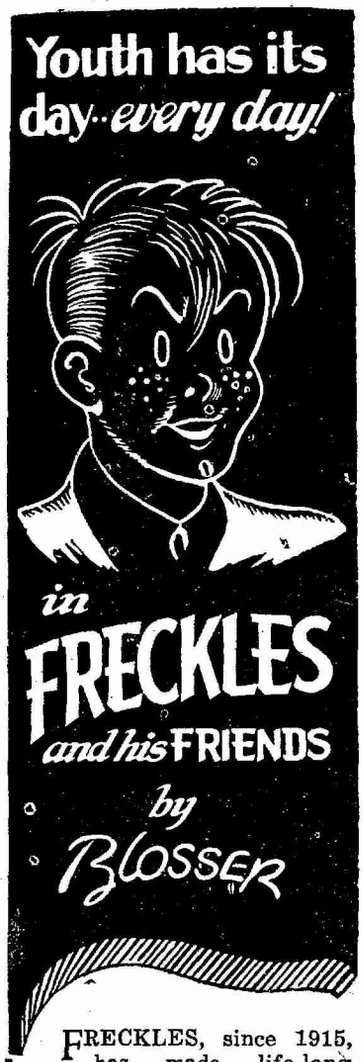

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